Daily Report

Latin America

FBIS-LAT-89-071
Friday
14 April 1989

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FBIS-LAT-89-071 *14 April 1989*

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Workers Organization Calls for Debt Moratorium

PY0804235589 Madrid EFE in Spanish 0517 GMT 8 Apr 89

[Text] Santiago, Chile, 7 Apr (EFE)—Today the Latin American Central Organization of Workers (CLAT) concluded its 45th executive committee meeting. This organization criticized the policies of the "neoliberals and the monetarists" and called for the suspension of foreign debt payments.

At the conclusion of the meeting, the CLAT released a document blaming those policies for creating "explosive situations, misery, and poverty."

The document says that "Latin American democracies cannot become preoccupied with politics, because the important issues of social justice, solidarity, and participation would thus be delayed indefinitely.

CLAT Secretary General Emilio Maspero said regarding the foreign debt that "all Latin American debtor countries should come to an agreement to immediately suspend debt payments."

He added: "This is the way to create the appropriate conditions to have this problem discussed at the highest political level by debtors and creditors, because it is the most important political problem of the area."

Maspero said the solution of the foreign debt problem should allow us "to continue with our democratization process and the reactivation of our economy in order to create new employment and better standards of living."

Regarding the future, the CLAT document says that "Latin American solidarity, integration, and unity are the essential historic elements necessary to speed up this life or death process."

In a resolution, the CLAT document says it supports the peace efforts in Central America because "we have always advocated a political and not a military solution."

Maspero said: "We have denounced and repudiated the Reagan policy in Central America, which first tried to implement an economic blockade of Nicaragua and then created the contras with U.S. financing."

Maspero added that "we do not accept any military solution, whether it comes from the U.S., Cuban, or Soviet Government."

The CLAT expressed its satisfaction over the legalization of Solidarity in Poland, the upcoming meeting of the Latin American Workers Council to be held in Guatemala in March 1990, and the World Workers Confederation congress that will be held for the first time in Latin America, in Caracas, in November 1989.

The CLAT also expressed its "surprise and dissatisfaction over the measure adopted by the Spanish Government" requiring visas for Latin American after recently approving a common regulation on immigration with all EEC member countries.

COPPPAL Names President, Executive Secretary

PA1204163289 Panama City MEDIODIA in Spanish 10 Apr 89 p 2

[Text] In Quito, Ecuador, the Permanent Conference of Latin American Political Parties (COPPPAL) decided during its 14th meeting to ratify Dr Carlos Ozores Typaldos and Nils Castro as the organization's president and executive secretary, respectively.

At a news conference at the Omar Torrijos House of Remembrance in Panama City, COPPPAL President Dr Carlos Ozores, COPPPAL Executive Secretary Nils Castro, Panama's Ambassador to the United Nations Leonardo Kam, and Revolutionary Democratic Party representative Ricardo Aguilar provided details of issues and programs covered at the COPPPAL meeting.

COPPPAL Executive Secretary Nils Castro pointed out that the most recent COPPPAL meeting had the highest attendance and that many issues of interest to Latin America were discussed.

Issues Resolution Condemning U.S.

PA1204163589 Panama City CRITICA in Spanish 11 Apr 89 p 25

[Text] In a meeting held in Quito on 4 and 5 April—in which 28 member parties from 21 countries of the region participated—the Permanent Conference of Latin American Political Parties issued two resolutions condemning the U.S. Government for trying to isolate Panama from the free countries of America and attempting to deprive Panama from the benefits derived from strict compliance of the Torrijos-Carter treaties.

COPPPAL, which includes the largest people's, social democratic, and nationalist parties of Latin America and the Caribbean, agreed to let [Panamanian] Democratic Revolutionary Party representatives continue in office as the organization's president and executive secretary.

These were the main topics discussed at the meeting: assessment of the sociopolitical consequences of the foreign debt, analysis of the Latin American sociopolitical situation, and approval of COPPPAL's new statutes.

The leading parties in attendance included: Mexico's ruling Institutional Revolutionary Party; Brazil's ruling Brazilian Democratic Movement Party; Ecuador's ruling Democratic Left; Peru's ruling American Revolutionary

Popular Alliance; Bolivia's ruling Nationalist Revolutionary Movement; the Dominican Republic's Dominican Revolutionary Party; Argentina's Juticialist Nationalist Movement; Bolivia's Movement of the Revolutionary Left; Nicaragua's ruling Sandinist National Liberation Front.

Peru's presidential candidate Alfonso Barrantes also attended the meeting.

These are the two resolutions issued on Panama:
Resolution 8
Whereas:
U.S. imperialism has continued to target Panama for a political boycott, economic strangulation, and threats of armed aggression.

As the result of this imperialist position, Panama has been suspended from the Group of Eight, the Panamanian people are suffering the most serious economic crisis in history, and the Panamanian Government has been forced to divert vital resources to reinforce its defense.

The Panamanian far rightist forces, backed by the Christian Democratic Party, have played along with the destabilizing attempts and the economic and political interests of U.S. imperialism and the IMF.

Therefore:

COPPPAL hereby condemns the neocolonialist attempts of U.S. imperialism and demands that the U.S. Government immediately cease all intervention in Panama's affairs and attempts to isolate Panama from the free nations of America. The organization demands strict compliance with the spirit and letter of the Torrijos-Carter treaties.

COPPPAL hereby requests that the Group of Eight accept Panama back as a full-fledged member.

Resolution 9.
Elections in Panama.
COPPPAL hereby expresses its satisfaction over the Panamanian Government's commitment to hold pure and honest elections on 7 May 1989 and respect the election results.

In this connection, COPPPAL hereby rejects the current slanderous campaigns that aim to discredit the Panamanian election process by raising in advance accusations of presumed fraud and biasing international public opinion on the results of this exercise of self-determination by the Panamanian people.

ORIT Calls for Total Debt Cancellation

FL1304145489 Havana Radio Reloj Network in Spanish 1343 GMT 13 Apr 89

[Text] The Inter-American Regional Organization of Workers [ORIT] rejected in Caracas the so-called Brady plan as unworkable. Panamanian Luis Anderson, ratified as general secretary of ORIT at the conclusion of this organization's 12th congress, said that a reduction of 20 percent of the foreign debt changes nothing, since the remainder cannot be paid.

Anderson added that the debt must be entirely cancelled, and he called for a united solidarity front to promote debt cancellation among Latin American governments while avoiding reprisals from the lenders. In its Caracas congress, ORIT pointed out that the total debt in this continent has a portion that the people should not have to pay because it is contracted by the military, by entrepeneurs, and by bankers.

Cuba

USSR Evaluates Gorbachev Visit as Positive

FL1304211189 Havana Radio Reloj Network in Spanish 2002 GMT 13 Apr 89

[Text] The CPSU Central Committee Politburo evaluates the results of Mikhail Gorbachev's visit to Cuba and his meetings with the Commander in Chief Fidel Castro as positive. A declaration issued at the end of a meeting of that organization expresses that the visit of the Soviet leader and the Friendship and Cooperation Treaty that was signed constitute an event in the development of bilateral relations.

The document adds that, during the visit, the communist parties of the two countries showed their unity on positions regarding key problems of world development and they reached the mutual agreement to make cooperation in all fields more efficient. The atmosphere of sincerity and trust demonstrated during the talks between Mikhail Gorbachev and the Cuban president, according to the declaration of the CPSU Central Committee Politburo, showed the solidity of the ties between Cuba and the USSR.

153 Internationalists Return From Angola

FL1304120689 Havana Radio Progreso Network in Spanish 1100 GMT 13 Apr 89

[Text] Last night, another 153 compatriots arrived in the fatherland after completing their internationalist duties in Angola.

Commander of the Revolution Ramiro Valdez, along with other officials of the FAR [Revolutionary Armed Forces] and MININT [Ministry of the Interior], received the internationalists at the Jose Marti International Airport.

Of the recently arrived internationalists, 92 of them have the internationalist combatant first class medal while the rest of them have the second class medal. Also, three of them have the Calixto Garcia medal.

RSA Not Adhering To Joint Commission Accord

FL1304180889 Havana Radio Rebelde Network in Spanish 1700 GMT 13 Apr 89

[Text] South African authorities are impeding the withdrawal of SWAPO [South-West People's African Organization] combatants from Namibia to Angola as agreed upon last Sunday [9 April] by the Angolan, Cuban, South African tripartite commission.

A representative of the UN Transitional Assistance Group, UNTAG, discovered when he went to a SWAPO checkpoint in north Namibia, a base of the regular South African Army only 200 meters from the checkpoint. Under these conditions, he said, no SWAPO guerrilla is going to show up here.

According to the U.S. press agency UP, only four SWAPO combatants have presented themselves to the UNTAG authorities. At this time, South African officers attempted to interrogate them, an action stopped by the UN forces.

Pretoria's regime insists on interrogating the SWAPO guerrillas. This is another obstacle for the plan to withdraw SWAPO forces to Angola. According to the agreements, the project should end next Saturday, but, taking into account the atmosphere of intimidation created by the South African Army, the Angolan press agency ANGOP does not think this will be likely.

It is obvious that with such maneuvers, South Africa is attempting, by all means, to hinder the carrying out of UN Resolution 435 for Namibia's independence. The elections in Namibia are expected to be held next November.

On this matter, a white merchant named Pieter [not further identified] thinks that groups of white death squads, similar to the ones that exist in Latin America, will be operating with great force in Namibia. This will be an attempt to stop the SWAPO's victory at the polls.

U.S. Approves Funds for Television Station

FL1404024889 Havana Radio Rebelde Network in Spanish 2314 GMT 13 Apr 89

[Text] An EFE report from Washington shows that the U.S. House of Representatives has approved a proposal for $32 million for a period of 2 years, for the creation of a television station that will be called TV Marti. The plan is included in the budget for the Yankee Department of State. The plan will disburse $16 million beginning next 1 October, and $16 million more for October 1990.

The Spanish news agency EFE adds that democratic Congressman Bill Nelson, the author of this anti-Cuban project, stated before the House of Representatives plenum that the programming of that television station, according to him, could supposedly open democratic roads in Cuban society.

Aguirre Receives CSSR Union Leader

FL1304214689 Havana Radio Reloj Network in Spanish 2107 GMT 13 Apr 89

[Text] Severo Aguirre del Cristo, acting president of the National Assembly of the People's Government [ANPP], has received at the ANPP headquarters, Miroslav Zavadil, president of the CSSR Central Trade Union Council.

During the friendly meeting, the two officials exchanged experiences on the functioning of the electoral system in the two countries, and the scientific-technical cooperation among the two nations. Zavadil is in Cuba to attend the bureau meeting of the World Federation of Trade Unions.

Zavadil expressed to Severo Aguirre his admiration for the family doctor plan, as well as for our country's internationalist aid to Angola.

Yesterday, Aguirre presented the distinguished visitor with the ANPP medal, and he expressed the eternal gratitude of the Cubans for the cooperation given by the Czechoslovak brothers for 30 years.

Risquet Arrives in GDR on Official Visit
FL1304121589 Havana Radio Progreso Network in Spanish 1100 GMT 13 Apr 89

[Text] Yesterday, Jorge Risquet, member of the Communist Party of Cuba's [PCC] Politburo, arrived in Berlin. The also member of the PCC Central Committee is heading a delegation that is on an official visit to the GDR.

During the visit, Risquet will hold meetings with members of the Socialist Unity Party of Germany.

Castro Tours Pinar del Rio Agroindustrial Center
FL1304204089 Havana Tele-Rebelde Network in Spanish 1700 GMT 13 Apr 89

[An identical version of this report was broadcast on Havana Television Service at 0000 GMT on 14 April providing fills and additional material.]

[Text] Commander in Chief Fidel Castro visited several areas of the 30 de Noviembre agroindustrial complex in Pinar del Rio Province in the afternoon of Tuesday 11 April. There he examined the work being carried out with the plot drainage system in the complex' cane fields. [Video shows Castro in an open field talking to a group of people with announcer voiceover.]

Together with the agriculture and sugar industry ministers and members of the complex' leadership and technicians, Fidel analyzed the yield in the cane areas where the plot drainage system has already been used and substantial increases can already be noticed. In his tour through various fields in different stages of the process, Fidel showed interest in the use of scrapers, levelers, trucks, and other equipment, as well as the characteristics of the area's soil and the improvement projects needed. [Video shows Castro meeting in a room with a group of people.]

During a meeting in which national and provincial leaders of the sugar industry sector also participated, the commander in chief analyzed in detail the situation created by the plot drainage brigades available in the country and the need to create 73 other brigades this year. He instructed that they be taken to areas where this modern and highly productive system of soil improvement and use are needed the most.

Later, at the Jose Marti sugar complex, Fidel participated in the ceremony held to mark the fact that Pinar del Rio Province was the first province in the country to fulfill its sugar production plan, which in its case was 208,000 tons. The province also fulfilled last Sunday, 9 April, its production plan of 15,000 tons of refined sugar, has exceeded so far by 30 caballerias its sugarcane planting plan, it is fulfilling its weeding plan, and up to now has fulfilled 280 percent of its investment plan. [Video shows Castro speaking to a group of people outside a building with announcer voiceover.]

Speaking to workers and a large number of people gathered there, Fidel noted how important the projects being carried out in the province and country for the creation of engineering systems are for rice growing. They increase rice yields by over 50 percent, save around 40 percent of the water needed for irrigation thus making better use of it, and make work productivity in flooders four times better, consequently using less labor force.

The commander in chief mentioned that over 3,000 rice caballerias from Pinar del Rio Province will be incorporated to the engineering system. To do this, 120 million cubic meters of soil will have to be moved. The work can be completed within 7 years if it is done by six brigades. He said the magnitude of this effort is entirely justified because it enables a response to the foodstuff needs of a population that is in constant growth. Since the land used for agriculture does not increase, the solution lies in the substantial increase of yields.

[Begin Castro recording] We are implementing a very new system in sugarcane planting. It is called a plot drainage system. There are about 60,000 caballerias of flat land in the country. We could say they are low lands. The country has approximately 135,000 caballerias and it will have a total of 150,000. These 60,000 caballerias are in the sort of land similar to the one you have here. They are located south of Camaguey or north of Camaguey, or north of Las Villas, or in some place in Matanzas, or in Rio Cauto. They are 60,000 caballerias.

A lot of times, too much water harms cane more than the lack of it because water accumulates and harms plants very much. This can happen even in years of a drought. A downpour of 50 or 60 millimeters can fall during a drought year. Water accumulates in the fields and affects cane yield. This is in addition to the drought. So, sometimes there is not enough water and other times there is too much.

We are making a big effort with sugarcane and rice harvesting. We hope to have one irrigated caballeria out of every two caballerias of cane so we depend less on these drought situations. This is why we are making big efforts in the entire country by building dams and canals. We are making enormous efforts in building irrigation equipment. We are already implementing very modern techniques in our agriculture. They have a great outlook.

The province has fulfilled its sugar production plan and is going to contribute 25,000 more tons. Listen, 25,000 more tons of sugar are greatly needed at this time. You can't even imagine how much. [applause]

As you see, the province is making progress. This year the province will have a highway linking the capital with the province and all these municipalities. In a few days, the mountain is going to have its road linking it completely. Roads will continue to be built in the mountains. The province will have a two-way track railroad. So, if you do not want to travel by bus, you can get on the train. You can go to Havana or Pinar del Rio. I warn you that it is better to go to Pinar del Rio. [laughter] Life is more peaceful there. Don't you think life is better in Havana. Some have believed this and are later disappointed. Life is more peaceful there. I tell you life is better in the provinces.

In addition, the provinces have developed. It used to be that one had to go to Havana in order to find a good hospital and see if one could be found. Where can a hospital be found now? [indistinct crowd response] A hospital can be found around the corner.

Anyway, the province will have all these communications services. It is going to be one of the provinces with better communications services. Agriculture is developing in the provinces, the mountains are developing in the provinces, sugarcane and rice harvesting are developing, pig and poultry breeding are developing. In sum, we are seeing development.... [changes thought] Industry is developing in the provinces. The provinces now have an industry that nobody would have dreamed of in the future [corrects himself] in the past—the electronics industry, for example. I do not know if any of you, [rephrases] some of you must have visited it. It is a sophisticated thing. It is a matter of pride that the province that was once called.... [leaves sentence unfinished] What was the name of this province? [indistinct crowd response] Who remembers this, man?

Its infant mortality rate is 10 percent now. Its infant mortality rate is better than that of Washington. This place was the land of the latifundio. Do you understand? The province's education services are developing. For example, Pinar del Rio's medical school is one of the best ones in the country. Engels' School is one of the best in the country. Schools in Sandino are excellent schools. Medical services are developing. Sports are developing. What is not being developed in this province?

This is why I am very pleased to be able to be here this afternoon. When I heard that a meeting was going to take place here, that there was going to be a celebration, not a party but a celebration for the success of having fulfilled the harvest plan and other commitments, and that you had done it because you had not wasted a single liter of oil, I told Comrade Fidel [Ramos, first secretary of the party in Pinar del Rio Province]: Fidel, I am going there to greet the Jose Marti sugar mill workers and greet the people. [applause and laughter] Congratulations. [applause] You are paving the way. [end recording]

After the ceremony, the commander in chief toured the construction site of the railroad being built by Blas Roca contingent's brigades No 13 and 14. There, he showed interest in the performance of mechanical diggers and other equipment. He asked about details related to the width of the grubbing and other aspects of the project and checked the progress of the work performed. This confirms the high levels of organization, quality, and productivity provided by the construction contingent concept. [Castro seen talking to workers at construction site]

[Begin Castro recording] Right. Well, see you later, comrade. [end recording]

Villa Clara Second To Fulfill Sugar Quota

FL1304123689 Havana Tele-Rebelde Network in Spanish 1100 GMT 13 Apr 89

[Text] Villa Clara was the second province in the nation to fulfill its sugar production plan for the present harvest.

The ceremony proclaiming its success in the harvest will be held this morning at the Quintin Banderas sugar mill. This industry is 30 days ahead of its schedule and has worked with considerable savings in fuel consumption.

The sugar industry of Villa Clara intends to continue working to attain an added 50,000 tons in overfulfillment.

Socialist Press Meeting Viewed as 'Productive'

FL1304185589 Havana Radio Rebelde Network in Spanish 1700 GMT 13 Apr 89

[Text] The Cuban interpretation of the role played by the party press was the main theme of the speech given by Comrade Enrique Roman, director of the newspaper GRANMA. His speech was specifically referring to the present state socialist countries find themselves in and the processes we are going through and how these processes are reflected in the media. Roman spoke before the socialist countries' central newspaper directors' meeting which is in its second work day at Havana's Palace of Conventions.

The idea that information in our country should flow according to a coherent policy and that this information is a pressing need for a public which has been made more cultured by the Revolution was another subject included in Roman's speech. He also stated that this should not depend on sector criteria, but that it should answer to political, social, and revolutionary criteria.

The meeting, which ends today, is characterized by an ample and productive exchange of ideas and experiences on the achievements and difficulties in the edification of socialism and the party press' role in this process.

'Second Day of Work' Ends

FL1404023189 Havana Television Service in Spanish 0000 GMT 14 Apr 89

[Text] The meeting of directors of central newspapers from socialist countries today ended its 2d day of work. During the meeting, greater activity and delving into information was urged.

The head of the Cuban delegation, Enrique Roman, director of the newspaper GRANMA, explained to the participants how our media reflect the process of rectification that is taking place in our country. During the session, the representatives from Czechoslovakia and Vietnam also spoke. They referred to the way in which their respective press cover national realities.

Answering a question from the Czechoslovak delegation, Roman pointed out that the creation of the anti-Cuban radio station, Radio Marti, is part of a political plan of the U.S. Administration to internally erode and weaken the Cuban Revolution. The director of GRANMA emphasized that the radio station is dedicated to a confrontation, on all levels, between imperialism and our country. The station has the support of the strong U.S. propaganda apparatus to carry out its disinformation work.

During another part of the meeting, the head of the Soviet delegation and chief editor of PRAVDA, Viktor Afanasyev, explained that the events that have taken place in the Soviet Socialist Republic of Georgia originate in the administrative division that was established when the USSR was formed. Afanasyev, explained how antisocialist and mafioso elements have nourished nationalistic feelings in various regions of the union in order to weaken the actions of the authorities. Afanasyev, who is also a member of the CPSU Central Committee, added that 130 nationalities coexist in his country, and that soon a Central Committee plenum will be held to discuss this subject. Afanasyev expressed his belief in that the Soviet communists will be able to solve these conflicts.

The participants to the press meeting unanimously agreed to meet again in the fall of 1990 in Prague. This afternoon they were received by Carlos Rafael Rodriguez, member of the Communist Party of Cuba [PCC] Central Committee Politburo. Tomorrow they will meet with Carlos Aldana, member of the PCC Central Committee Secretariat here in the Palace of Conventions.

Activists Demand Amnesty for Political Prisoners

PA1304162689 Buenos Aires REUTER in Spanish 1930 GMT 12 Apr 89

[Text] Havana, 12 Apr (REUTER)—Cuban human rights activists today demanded a general amnesty for all political prisoners in Cuba, whose number they estimate to be 800.

The communist government does not admit to the existence of political prisoners and claims that the number of people incarcerated for crimes "against state security" is less than 100.

Leaders of three of the four unofficial Cuban human rights groups supplied a list to foreign journalists of the 211 people they claim are political prisoners.

One-third of these people were jailed for illegally attempting to leave the country, something the government considers a common crime.

Elizardo Sanchez Santa Cruz, head of the Cuban Human Rights and National Reconciliation Commission, said that there are at least "between 700 and 800 political prisoners in Cuban jails."

These prisoners include Samuel Martinez Lara, leader of the self-styled Human Rights Party, and two other members of that party, who were arrested last week during Soviet leader Mikhail Gorbachev's visit.

Their arrests, along with those of two other activists who were later released, were based on charges that they were planning "an illegal activity," by which they meant a peaceful demonstration in front of the Soviet Embassy in Havana.

Martinez Lara and David Moya were sentenced to 9 months, and Roberto Bahamonde—whose whereabouts are unknown, his wife said today—received a 6-month prison sentence.

Havana To Produce New Color TV by 1991

FL1304224589 Havana Radio Reloj Network in Spanish 2124 GMT 13 Apr 89

[Text] This year, the Jose Antonio Echeverria electronics plant, located in the capital, is making preparations so that by 1991 it will introduce a new color television design with greater functional capacities. This way, the expectations of the users will be met. To achieve this, a design bureau is now in operation and it is basing its work on the climatic conditions of Cuba.

If the current televisions are good, the next ones will be better; the first model will have remote control via infrared rays and digital pannels for channel selection which will also permit the connection of VCR recordings and microcomputers.

It is expected that in 4 years the Havana electronics plant will begin producing televisions whose users will be able to make channel selections with remote control.

* Trips, Electrical Appliances Awarded

[Editorial Report] The Havana Spanish-language newspaper TRABAJADORES of 14 March reports on page 2 that in 1989, 496 agriculture and forestry workers will

travel to socialist countries as an award for their work in 1988. This is an increase over the previous group selected. Of these workers, 226 will have all expenses paid. The remaining 270 will be awarded 20 to 60 percent of the trip's costs. In recognition for the work they did over the last 5 years, 23,342 workers will receive electrical appliances, including 4,178 refrigerators, 13,058 fans, and 6,106 color television sets.

Correction to PRAVDA Editor Grants Interview

FL1304143889

The following correction pertains to the item headlined, "PRAVDA's Chief Editor Grants TV Interview," published in the 13 April Latin America DAILY REPORT, page 3:

page 3, column one, penultimate paragraph, first sentence, make read: [Text] [Reporter] What importance-...(supplying processing indicator)

page 3, column two, second paragraph, first sentence, make read: ...is negative—the Stalin cult, repression. However...(clearing queried word)

Dominican Republic

* Food Prices Show Sharp Rise Since 1988

32480104d Santo Domingo EL CARIBE in Spanish 4 Feb 89 p 2

[Text] According to certain business leaders, most mass consumption items have undergone price hikes, in some instances amounting to as much as 119 percent, since July of last year, while others, in addition to costing more, are in short supply on the market.

People are complaining every day, and the main targets of their vituperation are businessmen. Everyone who arrives to shop finds some reason to complain.

One merchant, when asked about the reaction from those who have patronized his business and found they lacked sufficient money, remarked: "This is inflation for people who go shopping and cannot purchase the items that they want."

Items that have shown increases are a quart of milk, the price of which has risen 35 percent, and a 1/4-lb can of powdered milk, that has undergone a hike of 119 percent.

In July of last year a quart of milk was selling for 1.85 pesos, and now it sells for 2.50 pesos, with an increase of 0.65 pesos.

At that time a can of powdered milk cost 17.80 pesos, and it now sells for 39.00 pesos, with a 21.00 peso increase.

Other items that have undergone sizable price hikes are various types of meat, sausage, potatoes, and garlic.

Beef was selling for 6.50 pesos per pound, and is currently being distributed for 8 and 8.25 pesos in the leading butcher shops in the capital.

Moreover, a pound of salami, in great demand, used to cost 7 pesos, and is now being sold for 11.50 pesos. The price per pound of meat and salami has risen 23 and 64 percent, respectively.

Pork is also being sold overpriced because, according to butchers queried at the new market, this item is not subject to any type of control.

They blamed the price hikes on producers, who argued that there had been increases in the price of a quintal [1 quintal equals 46 kg] of bran which they feed to the hogs. According to some of them, a quintal of bran used to cost 50 pesos, and is now priced at 67.50 pesos.

Yesterday a pound of pork chops was selling for 5.50 pesos, whereas it used to cost 4.50 pesos. A leg of pork, now priced at 5.25 pesos, was previously distributed at 4.25 pesos, and ribs are now priced at 4.25 pesos, whereas they previously sold for 3.50 pesos.

The president of the Santo Domingo Association of Supermarkets, Armando Rivero, claimed that the price of a pound of cured ham has risen 41 percent.

He noted that, in July of last year, a pound of that item cost 12 pesos, and it is now selling for 17 pesos. Similarly, a pound of potatoes was priced at 1.3 pesos and now costs 2.5 pesos, with a 92 percent increase.

He said that several products are in short supply on the market, such as sardines, edible pastas, and tomato paste.

He indicated that the government has made an investment in dollars to purchase this type of sardine abroad, as well as the edible pasta which, he remarked, "Haitians are taking to their country, buying them with Dominican pesos."

Nevertheless, the president of the Santo Domingo Businessmen's Association, Mr Domingo Luzon, claimed that all the marketing problems are due to "the ineffectivness of Law 13 on consumer protection," and also to speculation which, he asserted, exists among most of the businessmen's associations.

He added that the Price Control Directorate bears a large share of blame for the ineffectiveness of Law 13, because, he noted, "everything is settled through deals."

He commented that this situation, compounded by speculation "is the main problem affecting the sector, something for which consumers have to pay, by buying at higher prices."

He expressed the view that a majority of businessmen's associations feed on speculation, and called upon the Secretariat of Industry and Commerce "to dismantle all associations proven to be speculating on products sold to them at controlled prices."

He cited as an example garlic, a product which he claimed is not showing up on the market at present and, if it is, "costs about 35 pesos per pound." He said that, in November, INESPRE [National Institute of Price Stablization] went so far as to sell a pound of garlic to the associations for 4 pesos, while "it was going to the public for 20 pesos."

He said that many businessmen hoarded garlic and created a black market, "which raised the price of that product sky-high."

However, he noted, the garlic problem could be solved within a few days, because INESPRE is expecting a shipment from abroad.

Luzon observed that there is plenty of herring and cod on the market, which "has caused chicken prices to remain stable."

He said that a pound of cod sells for 10.5 pesos, and a pound of herring for 6 pesos, which, in his view, has kept the price of a pound of chicken at 4 pesos.

He reported that select rice and refined sugar are becoming scarce, "indicating that their prices will be raised within a few days."

He added that a pound of refined sugar is being distributed for 1.2 pesos, while a pound of select rice costs 1.45 pesos; however, "both products are almost nonexistent."

Luzon claimed that there are currently no reasons for an increase in prices of soap, oils, kidney beans, or onions.

He called upon the Price Control Directorate to order manufacturers of tomato paste to start supplying the market because, he maintained, they might be hoarding it for speculative purposes.

Grenada

Opposition Leader Questions Unemployment Figures

FL1304234889 Bridgetown CANA in English 2355 GMT 12 Apr 89

[Text] St George's, Grenada, April 12, CANA—Grenada's opposition leader George Brizan has accused some officials of the New National Party (NNP) government of falsifying the island's unemployment figures.

In taking issue with claims made by NNP executive members at a recent private sector symposium that Grenada's unemployment stands at 20 percent, Brizan said the NNP itself had carried out a survey late last year which concluded that the figure was 29.5 percent. He said that those people who were trying to put unemployment at 20 percent were merely attempting "to mislead the Grenadian population".

Both NNP executive member Denis Campbell and party leader Dr Keith Mitchell have given the lower figure for unemployment.

Brizan, a former NNP education minister, noted that when the government took office in 1984 it estimated unemployment to be running at 33 percent. He said it would be safe to say that the government had been able to reduce Grenada's unemployment by only 3 percent.

Brizan and three other members of the parliamentary opposition National Democratic Congress (NDC) resigned from Prime Minister Herbert Blaize's government in 1987 over differences on unemployment policies.

Haiti

Aftermath of Attempted Port-au-Prince Coup

Dessalines Surrender Weapons

FL1304171289 Port-au-Prince Radio Nationale in French 1700 GMT 12 Apr 89

[Text] The Directorate of Information of the Ministry of Information and Coordination announces that as of this date, 370 enlisted men and 40 officers from the Dessalines Barracks battalion—we repeat, 370 enlisted men and 40 officers from the Dessalines Barracks battalion—have reported to the Haitian Armed Forces [FADH] General Headquarters to turn in the weapons and other government property in their possession.

Furthermore, according to an authorized FADH source, the high command has decided that all recruits will henceforth be trained exclusively at the Army School of Instruction, according to Article 352 of the general regulations of the FADH.

Namphy Shows Support for Avril

FL1404133189 Port-au-Prince Radio Nationale in French 1700 GMT 13 Apr 89

[Text] Former Haitian President Henri Namphy, who was overthrown on 17 September 1988 and exiled to the Dominican Republic, during his first public appearance after 7 months of living clandestinely, today proclaimed his support for General Prosper Avril's regime. In an interview he granted to Dominican television, Namphy declared that he supports Avril, who ousted him from power, and admitted that Avril is leading Haiti along democratic paths, with the firm and determined support of the Armed Forces.

Mr Namphy added that the week's military rebellion occurred because Haiti is close to a popular uprising as a consequence of the chaotic situation in the country and the lack of control prevailing within the Armed Forces.

General Henri Namphy reportedly also accused the Catholic Church of being responsible for the massacre of 29 November 1987.

Further on Namphy Support

FL1304203789 Havana Radio Reloj Network in Spanish 1936 GMT 13 Apr 89

[Text] General Henry Namphy, former head of the Haitian regime, has expressed support for his successor, General Prosper Avril, who overthrew him last 17 December.

From his residence in an unidentified location in the Dominican Republic where he has been residing ever since his expulsion by a movement of sergeants and soldiers, Namphy said to television that he trusts Avril will take Haiti along the path to democracy. According to Namphy, the coup did not succeed because of Avril's fight against drug trafficking and the conflict of interests in the Armed Forces.

The former Haitian leader Namphy, for his part, had overthrown civilian President Leslie Manigat. When Namphy took power, he abolished the 1987 Constitution and dissolved the chamber of representatives and the electoral commission.

Rebel Officers Seek Asylum

FL1304190789 Port-au-Prince LE MATIN in French No 26.708 12 Apr 89 pp 2, 8

[Column "From Day to Day" by Dumarsais Charlier]

[Excerpts] [Passage omitted] We have been told the good news to the effect that Radio Metropole is going to resume broadcasting over FM stereo this morning, while repairing the AM. We congratulate these colleagues for their efforts, which must have been superhuman. [passage omitted]

We have been told that rebel Dessalines Barracks officers Guy Francois and Elysee [first name not provided] are reportedly currently under asylum at the Venezuelan Embassy. They first went to the French Embassy on the Champ de Mars, but since the French Government did not sign the inter-American agreement on the right of asylum, the French mission sent them to the Apostolic Nuncio, who is the dean of the diplomatic corps. The Nuncio in turn turned them over to the Venezuelan ambassador. Pierre Lassegue, the owner of a merchant vessel that travels between Miami and Port-au-Prince, is reportedly also at this same embassy, because Friday's events caught him at the Dessalines Barracks. [passage omitted]

Ex-Sergeant Denies Involvement

FL1304140489 Port-au-Prince Radio Soleil Network in Creole 1100 GMT 12 Apr 89

[Text] In a statement sent to Radio Soleil, Frantz Patrick Beauchard, the former Army sergeant arrested by the military government on 15 October 1988 on the claim that he was planning to carry out a coup d'etat after 17 September, says that several National Palace soldiers, among them Faustin Meradieu and adjutant Wilpick Gerald, are going around looking for him in order to eliminate him on the pretext that he had been at the Dessalines Barracks during the recent events.

Beauchard says that he would never get himself involved in anything like that, for the problem that broke out within the Army is the business of the corps involved. Beauchard thinks that General Avril should continue to carry out the points submitted to him last 17 September.

Beauchard says that the 17 September Movement soldiers had already warned General Avril about a coup d'etat being prepared by the officers involved in the latest coup.

Lastly, Beauchard said that division within the Army does not constitute a victory for anybody.

Frantz Patrick Beauchard also explained that he has nothing whatsoever to do with, and is not related to, Jocelyn Beauchard, who is a political leader.

[Begin Beauchard recording] This is Frantz Patrick Beauchard talking to you, people of Haiti.

(?In my opinion), there was a movement being effected in Haiti by those men [not further identified]. Their movement was successful. I don't know anything about their movement.

Now that the general is (?solidly in power), I hear that there is a group of palace soldiers, including officers, who are patrolling around, looking for Frantz Patrick Beauchard and all the men of the 17 September Movement.

I am announcing to you that Beauchard has, ever since he got out of prison on 25 December, been sitting at home, living within the spirit of his patriotic sentiments. I myself have no position to take in this business of military enlisted men who were settling their business among themselves. This clash between military corps is really unfortunate, because I was in the Army. I am no longer in the Army.

My feelings are that that once someone has been in the military, he never really forgets it. However, as for me, if my country ever has problems—for example, if another country came and attacked my country—well, everyone might then participate, and there I myself might participate in something. But not in this settling of scores

between soldiers from the Leopards Corps, the Dessalines Barracks, and the palace. And I don't see by what right anyone could go around looking for me all over the Lamentin 52 to 54 area, coming and saying that Beauchard was involved in the Dessalines Barracks affair.

People of Haiti, you know that they always create a pretext to destroy everyone who wants to defend you. Thus, I am informing you as to what is currently going on. I have heard that they are looking for me so that they can arrest me, and I hear they are claiming that I was involved in the Dessalines Barracks movement.

(?As far as I am concerned), something like that [words indistinct] at all, because we ourselves are in favor of the Haitian people. It is the people we are concerned with, the living conditions of the enlisted men that we are concerned with.

We had given the general 19 points. Out of the 19 points.... [changes thought] The day before yesterday I was watching him over TV, and I see that in all his speeches and in the statements he made over VOA [Voice of America], well, we see that everything we had told him, even if he had taken it and stuffed it in a drawer, he has brought back out after the aborted coup that these men were going to carry out against him.

As for me, my position is that if the general is really going to bring about democracy, if he is really the man we chose, for when we chose him, we told him: Fine, General, we choose you, and are putting you into power. Here's what we are giving you to do for the people. This is what you should do for the soldiers and this is what you should do to improve the people's conditions so the country can progress, so as to remove the country from the chaos in which it finds itself. Well, if the general is really (?out to work for the benefit of) the Haitian people, he should absolutely, right now, call in the 17 September Movement men.

Why? Because those officers who were going to carry out this coup against him were the very men we had told him about, and they tried to overthrow him. The general thought when we told him that they were going to try to overthrow him, (?that it was we who were going to try to overthrow him, or allow someone to overthrow him). No, that was not true at all. Not at all.

So if the general had been really aware of the work, the position we entrusted to him, for it was not the Haitian people who entrusted it to him, we think that he would today be credible to the Haitian people, if he had respected all the directions we gave him.

But no, he didn't listen to them. He said we were little creeps, just kids messing around, and when they talk about you they call you a political leader and attribute all kinds of things to you as if you are incapable, as a soldier, of seeing at all what is going on in the country!

As for me, I would find it extremely strange to go and take a stand under such circumstances, with three corps fighting among themselves, settling their own business! I would never get involved in something like that. The only way I might get involved in something is if I saw something going on that would benefit the Haitian people and the soldiers.

This coup would never have been good for the Haitian people. This was Jean-Claudists fighting to crush Duvalierists. The Duvalierists were stronger than they were within the Army, so they organized themselves. They are (?fathers and sons to one another). So I wish people would not mention our names. Not a single one of us has anything to do with this affair at all!

I again announce to national and international opinion and to the people who defend human rights as well that there were three things the general did: declared Condition D, declared a state of emergency, and declared a curfew. All these things are still in effect in the country, and people are going around looking for people to arrest, and I have heard they are looking for me!

Now, I don't see why. Right now I could.... [changes thought] There is something else. Palace soldiers won't believe something like that! That I could find a way to get into the Dessalines Barracks so that I could shoot at the palace! Why should I do that? Why?

It was lack of understanding that allowed things to go as far as they did. The troops really didn't have anyone to guide them. Things (?need) not have gone as far as they did.

When I sat down and analyzed, I saw that things didn't have to go as far as they did. There shouldn't have been any bloodshed. There shouldn't have been an exchange of gunfire in this affair. Simply.... [changes thought] Really, when the general talks, he talks about dialogue and about reconciliation. We agree with him. The soldiers couldn't just sit in the palace with crossed arms and allow themselves to be attacked by another corps, for they are soldiers. I'm not disagreeing with this, but for something like this to.... [changes thought] Hey guys, you are doing a job. Members of the GP, [Presidential Guard] try to really understand what you are doing!

The general said that you want to continue the 17 September Movement. If you do, well then if you do something, do it right. Don't invent a way to do something that will lead later to counterclashes, and don't do things in such a way that you will feel remorse tomorrow for having done something wrong.

Beauchard wishes no one any evil. It is simply that what he told them is what he now sees happening. I would like.... [changes thought] Beauchard is not there. The group of men that you put in jail is not there. Some have left, and others have been (?expelled), so they're not here. However, now you can see for yourselves that what

Beauchard wanted for you, wanted for the Haitian people—well, you can see for yourselves that Beauchard was right. Beauchard doesn't have and will never have, any quarrel with you.

I hear that I have Faustin Meradieu and adjutant Wilpick Gerald on my tail, going around with a group of nearly 15 men looking for me all over Port-au-Prince, and I have heard that they are planning to shoot me on sight, kill me.

What I would say to them is: You kill me today, and tomorrow you yourself will die, because today I die, but tomorrow it will be your turn. Everyone has a day to die.

The only thing I can say to the general is: Good luck. Continue to do the things we asked you to do. Do them as soon as possible, so that the country can get out of this chaos it is in. The Haitian people want elections. Give them their elections. I see that in your speech, you said that you would like, in the future, to organize the Army in such a way that you don't have generals or anyone else trying to carry out coups. In the Dominican Republic this doesn't happen. The Army stays in its place. That's what I told you. I told you we would like for you to be the last general, the last military man, to be in power. That's what we asked of you, General.

We ask you to do these things. Do these things. It will be to your benefit to do so. This is our advice. You never want to listen to advice when you get it. You thought we were too young, kids playing games. We don't (?want you to think this). We again wish you would. Beauchard again, for the second time, asks you: Organize things for the country, for the Haitian people. Organize elections for the Haitian people. Organize the Haitian people's living conditions. You will come out of it a hero! [end recording]

Curfew Shortened to 6 Hours

FL1304194289 Port-au-Prince Radio Nationale in Creole 1300 GMT 13 Apr 89

[Text] The Ministry of Interior and National Defense announces to the public in connection with the communiques it issued on 5-9 April, that the curfew in the metropolitan area, the Port-au-Prince area, will be in effect as of last night between 2300 and 0500. There will be a first signal at 2200, and another at 2230.

This communique is signed by Acedius Saint-Louis, colonel in the Haitian Armed Forces and minister of Interior and National Defense. Thus the curfew is no longer at 2100. It will now be in effect between 2300 and 0500.

Status of Damaged Radio Stations

FL1304192789 Port-au-Prince Radio Nationale in Creole 1300 GMT 13 Apr 89

[Excerpts] Following last week's acts of sabotage against four Port-au-Prince radio stations, three of the four directors of these radio stations had a friendly meeting the day before yesterday, Tuesday [11 April], to discuss what they are going to do to get their radio stations back on the air and to discuss the statements made by Haitian President Prosper Avril in his news conference on Monday, 10 April. We remind listeners that during the news conference, the president of the military government promised to help the owners of these radio stations get their stations back on the air.

The three directors who met were Mr Jean Dominique for Radio Haiti-Inter, Mr Widmaier for Radio Metropole and Mr Jacques Sampeur for Radio Antilles. They are willing to wait for official intervention by the government in this matter. The damages are great, and they would have to broadcast for an hour or so in order to be able to evaluate the damages. This is what one of these directors told us in a telephone conversation we had with him. [passage omitted]

According to a Radio Metropole official, the AM band might take 2 or 3 weeks to fix. However, they might be able to get the FM stereo on the air by the end of the week, because technicians have been working on it for some 4 days already. [passage omitted]

Regarding Radio Liberte, we can tell you that last night we saw that Radio Liberte was on the air, but it did not stay on the air. Thus, that was a test broadcast.

Incident Sparks Tension on Dominican Border

FL1304173689 Port-au-Prince Radio Nationale in French 1700 GMT 12 Apr 89

[Text] [Begin RTNH correspondent Jocelyn Dorcean recording, in Creole] There was a big fuss on the border on Sunday, 9 April [brief break in transmission] ...at around 1330 in a place called Deron-Ville [brief break in transmission] ...two Dominicans armed with [brief break in transmission]...Rodriguez and Mr [last name indistinct], Antonio. One of them is a Dominican policeman.

These Dominicans crossed the border at marker No 29 and went directly to the home of a Haitian named Prosper Pierre. They shot Pierre several times in the legs, shoulders, and chest. They shot him over a matter of fake drugs that he had sold them.

Another Haitian who was nearby, Mr Alteus Sinoisse, went after the Dominicans in order to avenge his compatriot. This Haitian was hit by two bullets in the chest and died instantly.

A second Haitian, a little old man who had once been a Caco [guerrilla during the U.S. occupation of Haiti], chased the Dominicans in order to catch them before they could get across the border. According to witnesses, the Dominicans fell as many times as the little old man wanted them to until he found them, and he ended up chopping off the heads of both these Dominicans. [sentence as heard] The people who were on the scene then took out their rage on the bodies.

After the justice of the peace officially recorded the incident, the commander of the military department of the northeast turned the bodies over to the commander of the military district of Ouanaminthe so the commander could turn them over to the [Dominican] authorities in Dajabon.

The prefect told us that when the district commander arrived in the Dominican Republic, some Dominicans detained him. They took a long time to release him. They did a lot of talking before finally understanding that he was a high-ranking Haitian officer. All this happened Sunday afternoon.

We must inform listeners that the first Haitian, Mr Prosper Pierre, is not yet dead.

That same night, at around 2230, the residents of Ounaminthe and Dajabon heard a burst of gunfire of some 20 rounds coming from the border. This awakened everyone and got both the Haitians and Dominicans excited. Troops from both sides of the border rushed to occupy their respective side. There were Haitian military along the Haitian side and Dominican military along the Dominican side. Tension was running extremely high on that Sunday night. The Haitian authorities thought that it was because the Dominicans were furious about the incident, and vice versa. When the high-ranking Haitian and Dominican authorities asked each another what was going on, both sides said they didn't know.

Some time later, after much investigation, the Haitian authorities found out that it was a Haitian soldier called Pierre A. Mesyeux, alias Coquingnol, (?posted on the border) who was sowing bullets all along the border to intimidate a few secondhand clothing vendors who were trying to cross over into the Dominican Republic in order to (?sell their goods) as usual. This soldier is currently in jail.

We apologize to RTNH listeners for being so late with this news, and we inform them that it was thanks to the prefect that we were able to (?get the story straight).

This has been Jocelyn Dorcean for RTNH in Fort Liberte. [end recording]

[Announcer] Here is the Dominican version of this incident.

A Dominican policeman and a Dominican soldier were killed this Sunday near the Haitian-Dominican border after being attacked by a group of Haitians armed with machetes and shovels, said the police in Santo Domingo. The Dominican authorities said that the two agents had crossed the border to visit a Haitian woman with whom one of them had fallen in love, and that this woman was also stabbed during the incident.

One of the Dominican agents is assigned to the National Police. The other is a guard at the (?reserve bank), near the border. The woman, whose identity was not revealed, is reportedly married and was the cause of the incident, according to the Dominican authorities.

According to this same source [not further identified], it should be noted that Dominicans cross the border easily, even during the delicate situation created by the military rebellion in Port-au-Prince.

The victims had no problem crossing the border by using a motorcycle which they left on Haitian soil near the border. Thus, according to witnesses, these Dominican policemen shot and killed two Haitians on Haitian soil. [sentence as heard] That, then, was the Dominican version of this affair.

PFCRN Spokesman Denies FDN Dissolved

PA1404043789 Mexico City THE NEWS in English 12 Apr 89 p 2

[Report by Shooka Shemirani]

[Text] The National Democratic Front [FDN], the country's leading coalition of leftist parties, has suffered a "fatal wound" but still shows signs of life, according to Victor Vasquez Lopez, a spokesman for the Party of the Cardenista Front for National Reconstruction (PFCRN).

Still reeling from recent bouts with other leftist parties within the FDN, the PFCRN regained its footing long enough to hold a press conference Tuesday aimed at dispelling rumors about the coalition's imminent demise.

Conflicts arose between the coalition's various parties in mid-March, after the Cardenista Front invited a member of the ruling Institutional Revolutionary Party (PRI) to a rally at the Zocalo. The move shocked the other parties and unleashed a barrage of criticism, mainly from the Mexican Socialist Party (PMS) and the Democratic Current (CD).

The FDN is "fatally wounded," Vasquez acknowledged at the conference, nevertheless, the Cardenista Front does "not consider the (coalition) dissolved."

Hector Delgado, press secretary for the PFCRN, stressed his party's loyalty to the coalition and desire for both "unity of action and planning."

The lack of such unity, however, is precisely what gave rise to the internal grumblings within the leftist ranks, both Delgado and PFCRN member Guillermo Andrade conceded.

The PFCRN has come under fire for making "an autonomous decision," said Delgado. Andrade added that Cuauhtemoc Cardenas, a former presidential candidate who has become the guiding figure of the leftist movement, made a "political blunder" when he apparently ceased to be the leader of the united left in order to represent one party.

In defense of the PFCRN's overtures toward the ruling party, Andrade said, "Our political alliance with the progressive forces of the PRI goes back 10 years."

Although PFCRN members acknowledged that there is no well-defined, progressive sector within the PRI, Delgado maintained that there are highly nationalistic individuals in the party who share certain leftist beliefs, and "we are not contaminated by speaking with them," he said.

CTM Leader on Need To Support Economic Pact

PA1404025189 Mexico City THE NEWS in English 11 Apr 89 p 2

[Report by THE NEWS staff]

[Text] Fidel Velasquez warned businessmen who intend to break with the Pact of Economic Stabilization and Growth (PECE) that their lack of solidarity would destabilize the nation.

Velasquez, leader of the Mexican Workers Confederation (CTM), added that if businesses leave consumer prices to rise or fall in accordance with supply and demand, the working class would see a substantial decrease in their buying power.

Leaders of several business organizations have called for the revision of the PECE, set for July, to include a liberalization of market forces. Businessmen claim that price controls included in the PECE have caused serious losses to both producers and retailers because they are unable to pass higher production costs on to consumers.

Velasquez suggested that the government, businessmen, farmers, and workers should meet and discuss the pact.

"Maybe new ideas would emerge which would strenghthen the pact. These suggestions should come from the workers and the farmers. The labor movement will not allow the destabilization which businessmen and the opposition parties are considering for any given reason," he said.

With respect to the church, the leader of the CTM agreed that the Constitution clearly defines the relationship between church and state. He said President Carlos Salinas de Gortari is willing to talk with any sector within Mexican society, including the clergy.

During an interview Monday, Fidel Velasquez said that drug addiction is not a problem of the working class because their salaries cannot stretch to include this type of expense and their jobs require a majority of their time.

Pemex Reports January Oil Export Figures

PA1404041489 Mexico City THE NEWS in English 12 Apr 89 p 39

[Text] Mexican crude oil exports for January brought the country more than 557 million dollars in foreign exchange, Petroleos Mexicanos (Pemex) reported this week. The state-owned oil monopoly said in a press release that daily export volume for the month averaged 1.323 million barrels. On average, the foreign sales where made up of 780,000 barrels per day (bpd) of heavy Maya crude, 375,400 bpd of light Isthmus crude, and 167,000 bpd of the extra-light Olmeca variety. Pemex reported that its exports of petroleum derivatives for the month surpassed 70,241 bpd.

Belize

Prime Minister Esquivel Reports on Economy

FL1304163489 Bridgetown CANA in English 1507 GMT 12 Apr 89

[Text] Belmopan, Belize, April 12, CANA—Higher world prices for sugar and citrus concentrate helped Belize to make substantial increases in export earnings from these commodities last year, according to Prime Minister Manuel Esquivel.

In his sectoral report on the economy for 1988 he said sugar export by volume increased slightly in 1988 to 79,700 long tons. The value of sugar exports however, rose by 11.8 per cent to bel 70.0 million dollars (one Bel dollar ; 50 U.S. cents) as a result of higher world market prices and a small increase in Belize's U.S. sugar quota. Export earnings also benefitted from the re-allocation of Guyana's U.S. sugar quota, he said.

During the 1987/88 crop year the sugar cane delivered to the factory amounted to 776,600 long tons, which was 1.6 per cent lower than the level in the previous year. This reduction was linked to a fall in the acreage under cultivation and by smut disease. There was however, a slight rise in the quality of the sugar cane grown.

Output of sugar declined only marginally from the previous years level of 81,700 long tons. Output of molasses was 4.5 percent lower at 23,100 long tons.

Citrus production in 1988 was adversely affected by poor weather. Output of oranges fell by 25.3 percent to 1.3 million boxes, while output of grapefruit was 7.1 percent lower at 0.84 million boxes. There was a 21.3 percent reduction to 1.5 million gallons in the volume of citrus concentrate exported, but a sharp rise in the world prices led to a 10.5 per cent increase in export earnings.

The expansion of the banana industry continued in 1988. Exports of bananas by volume increased by 22.1 per cent to 1.4 million boxes and export revenues expanded by 19.9 percent to 17.2 million dollars.

Belize has a 10-year contract with a U.K. firm to supply up to 5 million boxes to the U.K. market until 1992, and the World Bank is providing a 5.4 million loan for development of the industry.

In the garment sector, following substantial investments in recent years exports in 1988 rose in volume 42.6 per cent to 3.7 million pieces and the value by 30.5 per cent to 40.8 million dollars.

During 1988 exports of sawn wood rose in volume 27.9 per cent to 3.4 million board feet and in value by 71.4 per cent to 7.2 million dollars.

Exports of marine products in 1988 increase in volume by 2.5 per cent to 1.6 million pounds. There were increases in the volume of lobster, conch and shrimp exported, but a fall in the volume of whole fish. Export revenues from marine products fell by 4 per cent to 16.5 million dollars.

Costa Rica

Government Reports $10-Million Trade Surplus

PA1204143089 San Jose Radio Reloj in Spanish 1200 GMT 11 Apr 89

[Summary] As of 1 December 1988, Costa Rica's trade balance with Central America and Panama stood at $10 million in Costa Rica's favor. Throughout the year, there was a trend toward a 15-percent growth rate compared to the situation in December 1987. Costa Rica registered an $11-million trade deficit with Guatemala, but registered the following surpluses with the other regional countries: El Salvador, $5.5 million; Honduras, $6.7 million; Nicaragua, $3.7 million, and Panama, $6 million. [all figures as heard]

Canadian Government Donates $25 Million

PA1204142789 San Jose Radio Reloj in Spanish 1200 GMT 11 Apr 89

[Summary] The Canadian Government donated $25 million to Costa Rica during President Oscar Arias Sanchez' visit to that country. President Arias said the Planning Ministry will decide on which projects the money will be used.

Arias added that Canadian Prime Minister Brian Mulroney pledged to continue aiding Costa Rica with a variety of programs as the Canadian Government has been doing for many years.

El Salvador

Duarte Discusses His Administration, Health

PA1304235289 San Salvador TCS Television in Spanish 1215 GMT 13 Apr 89

[Text] In spite of his recent health problems and the fact that the swearing in of a new president is only a few days away, President Duarte is carrying out his duties as usual. In evaluating the work carried out by his government over the past 5 years, the president pointed to economic achievements that have been made despite the natural disasters that have occurred, such as earthquakes, floods, and drought.

He said that the economic activity level in the country has been maintained despite these problems because of a plan known as survival.

[Begin Duarte recording] From an economic point of view, we carried out a survival project that allowed us to develop politically and socially. Political and social institutions are

the ones that are responsible for production in the country. Economic growth means nothing if it does not benefit the people at all levels. In this way, the entire country can enjoy the well-being that development brings. However, for there to be development, there must be an appropriate political system and capable institutions. My government has been dedicated, basically, to creating the basis for economic stability so that we do not experience the problems that have taken place in Nicaragua, Mexico, Peru, Chile, and Brazil, where inflation has reached uncontrollable levels. [end recording]

President Duarte recently suffered a serious relapse that forced him to receive treatment in a U.S. hospital. Medical reports indicated that his liver cancer had spread. The president said today that this new crisis is subsiding. [Begin Duarte recording] I went to the United States. I received a good report from my check-up. I was given another chemotherapy treatment, and for a few days I suffered the effects of this treatment. There are various effects. In my case, my digestive system is directly and negatively affected. It is paralyzed. This is what happened to me when I was in Mexico. This time, thank heavens, my digestive system was not paralyzed completely, only partially. I have overcome the paralysis problem now, and I am getting ready for my next check-up on 19 April. [end recording]

The president said that his government is preparing a bill for the protection of freedom of the press in the country in view of what happened during the past elections.

[Begin Duarte recording] We believe that the country and democracy would be in danger if freedom of the press is ever lost. As long as there is someone able to speak up and explain what is happening, there is an opportunity to walk on the democratic road. [end recording]

Regarding the assassination of Msgr Romero, Duarte said he will send a sworn statement to the Third District Court, as requested, hoping that this way he will be contributing to the resolution of the case.

Duarte met with members of his cabinet yesterday to inform them about the preparations being made for the transfer of power. He has created a special commission for this task. During the meeting, some executive branch rules were approved.

Cristiani Says FMLN Lacks Military Strength

PA1304130689 San Salvador Radio Cadena YSKL in Spanish 1222 GMT 13 Apr 89

[Text] Salvadoran President-elect Alfredo Cristiani yesterday said that the FMLN [Farabundo Marti National Liberation Front] does not have the military capability to overthrow an established government.

He noted that the guerrillas' terrorist acts do not frighten the population and that the FMLN's military capability has not been strong enough to defeat the Armed Forces. This shows, he added, that its self-proclaimed military strength does not exist.

Turning to another issue, Cristiani said that Nicaraguan President Daniel Ortega's position on Esquipulas II and the agreement signed in El Salvador is clearly at odds with our position; however, he said, the implementation of these agreements will continue.

D'Aubuisson on His Future in Government, Party

PA1304231989 San Salvador Canal Doce Television in Spanish 0300 GMT 13 Apr 89

[Text] During the visit that President-elect Alfredo Cristiani made to the United States, he received a petition from 19 U.S. legislators asking that Roberto D'Aubuisson be kept out of government affairs. D'Aubuisson said that this request was made by a group of liberal congressmen who, ever since ARENA [Nationalist Republican Alliance] was founded, have wanted to discredit the work of this political party and its leaders.

He said that long before this petition was made known, he had decided not to participate in the new cabinet. He did not do this to please the Americans but because the ARENA leadership agreed to separate party work from the government structure.

[Begin D'Aubuisson recording] I think these liberal congressmen made this suggestion to save face so they could say: Well, Cristiani, we are going to support you, but you have to distance yourself from that individual, that D'Aubuisson. Fine. No problem. I will still be a deputy here and will continue to do my share of work within the party. I hope President Cristiani and the ARENA leadership will be able to follow through with an idea we have, which is not to become a government party. If in 7 years—ARENA is about to become 8 years old—we have been able to survive without depending on the government, it would not be right for us to have to do it now, as the PCN [National Conciliation Party] did in its time and the PDC [Christian Democratic Party] has done more recently. [end recording]

Regarding his political future, D'Aubuisson said that he will remain in charge of political training in the party and that, in this capacity—despite the fact that he is ARENA's founder—he will be subordinate to whoever is elected party leader at the next convention. D'Aubuisson does not rule out the possibility of participating in the elections for the Central American Parliament, an event that could be held in November. He also said that Cristiani will head a government that will be hard to handle, particularly because of the country's economic crisis and the social polarization that has developed over the past 9 years of military conflict.

Military Issues Order To Protect Reporters

PA1404044589 San Salvador EL MUNDO in Spanish 12 Apr 89 p 32

[Report by Rene Hurtado]

[Text] The Armed Forces Joint General Staff has ordered officers and soldiers to "prevent incidents with local and foreign reporters and to respect vehicles marked with press identification." This order was released to the media today.

The order was issued at the request of journalists after the death of three journalists—two Salvadorans and one Netherlander—in different parts of the country before the 19 March elections. It became effective yesterday and will be posted in all Salvadoran military garrisons. The order will be implemented and respected by all units.

It orders all soldiers "never to open fire from planes and helicopters against press vehicles that are properly identified." It also forbids soldiers and officers from arresting reporters or seizing equipment or film.

The order compels soldiers and officers "not to arrest reporters working in areas of conflict, even if they have not been authorized by the Armed Forces General Staff."

On 20 March, during the funeral of Salvadoran journalist Roberto Navas, foreign and local reporters issued a communique "demanding that the parties to the conflict—the Salvadoran Armed Forces and the FMLN [Farabundo Marti National Liberation Front]—immediately and publicly appeal to all their members to provide guarantees for the work of accredited reporters and to respect reporters' lives."

As a result of this, the Armed Forces took the necessary measures to protect reporters. It is expected that all Armed Forces personnel will respect this order, preventing further abuses of authority by some officers and soldiers.

The FMLN has not publicly replied to the reporters' request. It is expected that guerrilla leaders will make public their instructions to FMLN fighters to allow reporters to carry out their profession, particularly in the areas of conflict.

Dismissed Judge Larios in Kinapping Case Missing

PA1304162189 San Salvador DIARIO LATINO in Spanish 11 Apr 89 p 3

[Text]Attorney General Dr Roberto Garcia Alvarado has reported that former Judge Juan Hector Larios, who was summoned to the Public Prosecutor's Office for questioning in relation to an outrageous ruling in the trial of kidnapping cases (for which he was dismissed and banned from practicing law), is missing; he no longer lives at his residence.

The Public Prosecutor's Office has asked the General Immigration Office to determine whether Larios left the country and, if so, what his destination was.

According to Garcia, that office also has asked banks and savings and loans associations to provide information on Larios' accounts to investigate possible illegal financial gains through the acceptance of bribes from the kidnappers and drug traffickers whom Larios released while he was serving as a criminal judge. After deductions, Mr Larios was earning about 3,500 colons per month—about 100,000 colons during his 3-year term as a judge. Any indications that he held accounts for hundreds of thousands of colons would point to a crime, Justice Minister Julio Samayoa said.

The Public Prosecutor's Office also has asked the Property Registry Office to determine whether any real estate has been registered in the name of the former judge, who seems to have faded away without leaving a trace of his whereabouts. The Public Prosecutor's Office also has asked the Supreme Court of Justice to provide it with a copy of the file that prompted the penalties against Larios and has asked the Transit Directorate to provide records of vehicles registered under his name.

Yesterday morning, Attorney General Garcia presented evidence showing he is not related through blood or marriage to Larios, which the justice minister has claimed. Dr Garcia described Samayoa's claim as defamation.

If Larios left the country in the face of his imminent trial concerning the kidnappers and drug traffickers, he probably chose a country such as Brazil or Spain, which do not have extradiction treaties with our country.

Honduras

CTH Calls for Partial, General Strike

PA1304145889 Tegucigalpa Cadena Audio Video in Spanish 1208 GMT 13 Apr 89

[Report by Renato Alvarez—passages within quotations marks recorded]

[Text] [Alvarez] The Confederation of Honduran Workers [CTH] decided yesterday to call a general strike for today. For strategic reasons, not all of the unions affiliated with the CTH will go on strike. However, the Union of Public Employees for Highways, Airports Maintenance, and Terminals [SEPCAMAT] decided to join the strike, as did School Hospital employees, as usual.

[CTH President Mariano de Jesus Gonzalez] "This assembly has decided that tomorrow, 13 April, employees who are members of the abovementioned unions will be on strike. This is not an announcement or a threat. Tomorrow, the workers will be on strike. Tomorrow, thousands of workers will be on strike in the central part

of the country, and we are sure thousands upon thousands of workers in the northern part of the country will also be defending collective- bargaining contracts.

"Employees of the School Hospital, the Neuropsychiatric Hospital, (CONAPID) [expansion unknown], SEPCAMAT, the municipality, (ARCHIARI) [expansion unknown], the National Printing Shop, the Honduran Telecommunications Enterprise, and the Lama Lumber processing plant, and organizations such as the National Peasants Association, National Association of Honduran Peasants, (FINAMISIH) [expansion unknown], (ASEP) [expansion unknown], and (FESIMAH) [expansion unknown] have all ratified this stand. These organizations have issued an official communiques, and there are other unions that have ratified this agreement."

[Alvarez] These organizations support the CTH call for a general strike today, but for strategic reasons, not all of these unions will halt their activities. However, the School Hospital employees will halt their activities, said Ramon Murillo, a union leader: [Murillo] "We are taking this step even though we know we are going to harm the Honduran people a lot; however, we have no other alternative but to save this country's democratic trade unions, and thus the collective-bargaining contract system."

[Alvarez] Work will also come to a standstill at the Communications, Public Works, and Transport Ministry, as SEPCAMAT President Amado Aleman confirmed:

[Aleman] "We are going to begin our strike at the Communications, Public Works, and Transport Ministry early in the morning."

[Alvarez] When we asked the CTH president how many unions would go on strike as of this morning, he answered:

[Gonzalez] "We have commitments from the National Printing Shop, School Hospital, Neuropsychiatric Hospital, Municipal Mayor's Office, SEPCAMAT, and other trade unions. I cannot mention them by name right now, but in due time, the CTH will issue an official communique concerning this assembly's resolution.

[Alvarez] "How many CTH unions will join the strike within the next few hours to support (SINTRAIMPREMA) [expansion unknown]?

[Gonzalez] "As of this moment, only about 30 percent of the CTH is joining the strike. When we say 30 percent of the CTH, we are referring to 80,000 workers. If this action does not lead to a solution, we will involve all the organizations' CTH members for the defense of the collective-bargaining contract and for the defense of the Honduran organized workers'interests."

[Alvarez] For Mariano de Jesus Gonzalez, this strike is not only in solidarity with (SITRAIMPREMA), but in defense of the collective-bargaining contracts of many unions:

[Gonzalez] "The CTH is not willing to yield an acquired right such as a collective-bargaining contract, whereby employees can normalize their labor relationship with their employers. The Honduran Government ratified Agreements 86 and 97 of the International Labor Organization; therefore, we have a right to demand compliance with the collective-bargaining contract."

[Alvarez] As a result of the CTH's decision to call a general strike, gasoline stations might be left without fuel in a few hours, because the employee unions who transport petroleum byproducts throughout the country will shortly begin a strike.

Central Bank Opposes IMF Proposal

PA1304184089 Tegucigalpa Voz de Honduras Network in Spanish 1145 GMT 13 Apr 89

[Report by Trino Murillo on document issued by the Central Bank: "Implications of the IMF - Proposed Changes on the Basis of Applying Tariffs"; date and place not given]

[Text] The Honduran Central Bank document reads: As an IMF member - state, Honduras must abide by the norms of the IMF Charter, which in Section 3 of Article 8 establishes the following: No member state will establish or will allow its financial institutions mentioned in Section 1, of Article 5—the Treasury Ministry and Central Bank—to establish discriminatory, monetary systems or multiple exchange rates included or not included within the limits established by Article 4 or Annex C, or in accordance with Annex C, except in cases authorized by the IMF Charter or the IMF itself.

If such systems and practices existed on the date this Charter goes into effect, the respective member - state will discuss their gradual elimination with the IMF, except if they were created in accordance with Section 2 of Article 14. In that case, Section C of Article 14 would be applicable.

As the above paragraph states, a country is prohibited from creating a multiple exchange rate system, as happens when there is an official parallel market. In the case of Honduras, some have tried to see in the CETRA [certificates used to buy dollars with lempiras] system a parallel market or a multiple exchange rate.

However, from a strictly legal viewpoint, the country continues to have one single exchange rate—the official exchange rate of 2 lempiras per dollar—because the CETRA's are issued in lempiras and the incentive for purchasing foreign exchange with CETRA's is received by the exporters, not by the monetary authority, which in this case is the Honduran Central Bank.

The IMF proposal that import tariffs be applied to the imports' CIF [Cost Insurance and Freight] value in addition to the incentive paid for the CETRA has several legal connotations. First, the taxation of CIF values as the IMF proposes requires a legal basis that can only be provided by a National Congress decree. The IMF would interpret that measure as the creation of an official multiple exchange rate and it will then be in a position to ask Honduras—in accordance to the IMF Charter norms—to unify its exchange rate within a predetermined period of time, thus leading to a forced lempira devaluation.

In addition, the application of the measure recommended by the IMF implies risks from the point of view of the amount of money expected to be collected from taxes. The efficiency of the application of tariffs on imports' CIF values would strongly depend on the country's import capacity, which as we all know is limited by the availability of foreign exchange. It may happen that because of scarce foreign exchange, imports do not behave in the expected manner. If that happens, tax collection would decrease, significantly affecting the goals of any economic stabilization program.

There is also the danger that the increase of import tariffs will cause increases in production costs and the marketing of the goods produced from those imports, thus generating a chain reaction. The market prices of those imports would subsequently increase in view of the internal inflationary pressures.

There will also be a further imbalance in the country's distribution of productive resources, because the increase of import tariffs will lead people to become more interested in investing in the production of unessential rather than essential consumer goods.

For the aforementioned reasons and especially because of the risks the IMF measure represents for the stability of our official foreign exchange rate, the Honduran Central Bank believes that the country's financial organizations must think of alternatives to the said measure.

From a technical viewpoint, we believe the best way to increase tax revenues would be to increase selective consumer taxes. With that measure, the country would not be encouraging the import, assembly, and production of unessential consumer goods, which are a high imported component in our country.

Other alternatives presented by the Honduran Central Bank are the following: To reform the income tax law to assess taxes on expected income and to control tax evasion caused by the subdivision of businesses.

The Honduran Treasury and Public Credit Ministry would be the only institution that could give an opinion on the technical feasibility of that alternative.

If it were not possible to consider the said alternative or similar alternatives for technical or political reasons, and if there were insistence on increasing tariffs by changing the basis of the tariff system, another alternative not implying the creation of an official multiple exchange rate should be considered; otherwise, the measure would practically force the Honduran Government to devalue the currency.

Such an alternative could consist in the revision and adjustment of the valid tariff surcharge to increase the fiscal revenues needed to negotiate a program with the IMF.

The Honduran Government has not yet signed and does not have in mind what it will sign with the IMF. Time passes by; prices increase; and the government does not make the necessary decisions. There is uncertainty in Honduras.

The Central Bank was clear: The creation of an official parallel market and a multiple exchange rate practically and automatically forces us to devalue our currency.

Many people wonder whether a tariff increase is an advisable measure? What is the most advisable measure to take? The question should be answered by experts in economy matters.

Nicaragua

FSLN Repudiates New U.S. Aid for Contras

PA1404133089 Managua Radio Sandino in Spanish 1221 GMT 14 Apr 89

["Resolution" issued by the National Directorate of the Sandinist National Liberation Front in Managua on 13 April]

[Text] The National Directorate of the Sandinist National Liberation Front, FSLN, met with the Sandinist Assembly and other cadres at the Olof Palme Convention Center on 12 and 13 April 1989. In the course of that meeting, there was a broad discussion of the problems affecting Nicaraguan society as a result of foreign aggression and measures taken by Nicaragua's constitutional government to confront those problems at both the domestic and foreign levels.

At present, with the firm determination to achieve the peace that the Nicaraguan people are demanding, the FSLN has decided:

1. To call on Sandinists to close ranks in order to begin, with conviction and discipline, the great tasks that the revolution demands.

2. To repudiate the approval, by the U.S. Executive Branch and Congress, of new funds for the mercenary forces, because that policy once again violates international law and the international juridical system, and is a

mockery of the Central American presidents' agreement, expressed in the Costa del Sol document, and signed in El Salvador, on 14 February of this year. Similarly, to condemn the U.S. Government's threat to apply new forceful measures in addition to those already in existence against the long-suffering Nicaraguan people.

3. To condemn the death pact signed by opposition groups and the Somozist guardsmen on 11 April of this year.

4. To reinforce new plans for the people's military defense, taking into account the fact that the war has not yet ended, despite our success in deepening the strategic defeat of the mercenary forces, the Yankee imperialists' primary instrument of aggression.

5. To multiply efforts to solve the economic and social problems affecting the workers, so as to increase production.

6. To use the party's forces to support the national campaign to commemorate the 10th anniversary of the Sandinist people's revolutionary triumph.

7. To strive to win the election battle, as well as the other battles that we are militantly obligated to wage. With the example of Sandino, Carlos [Fonseca Amador], and Rigoberto [Lopez Perez], we reaffirm our pledge to continue to defend this free fatherland, where the present and the future already belong to the workers and peasants. Managua, 13 April 1989, year of the 10th anniversary Free fatherland or death!

Arce Condemns U.S. Aid, Ridicules Opposition

PA1404133189 Managua Radio Sandino in Spanish 1224 GMT 14 Apr 89

["Excerpts" of speech by Commander of the Revolution Bayardo Arce Castano during the inauguration of the Fourth National Assembly of the Sandinist Youth at the National Autonomous University of Nicaragua on 13 April—recorded]

[Text] The U.S. Congress has approved more than $60 million of so-called humanitarian aid for the contra forces with the objective and intention of sabotaging the sovereign action of Central American governments that signed a peace agreement on 14 February in El Salvador. The Central American presidents agreed to prepare a plan to demobilize the contra forces no later than 14 May. However, disregarding this effort by the Central American presidents, the current U.S. Government has guaranteed the necessary oxygen that will enable the contras to remain as a latent military threat against peace until February 1990.

A task that was impossible for the Reagan administration, a task its mercenary force was not able to carry out—creating a political screen inside the country—has become a reality. Now we see all those political mercenaries—the local opposition groups—sign a death pact with the contras in Guatemala under the auspices of one of the signatories of what we thought was an honorable agreement. According to that pact, the Somozist guards will guarantee peace and democracy in our country.

I do not know how we can carry out a fraud with UN and OAS observers; with observers from the Costa Rican and Venezuelan electoral tribunals, whom we have already invited; with at least two members of the five magistrates from the National Electoral Tribunal, who are from the opposition; with at least one opposition member of the three members of the regional tribunals; and with at least one opposition member of the three members of each voting table board. In addition, we are sure thousands of journalists and citizens from all over will come. We would have to be some kind of magician to carry out a fraud.

I know why they are speaking about a fraud. They are trying to find an excuse not to participate in the elections. First, for many of them, if they participate in the elections, they would run the risk of showing they are nobodies and would thus stop receiving U.S. Embassy salaries.

As for those who take it seriously, I do not know how they will be able to appoint members to 4,000 voting table boards—that was the number in 1984—4,000 party representatives and 4,000 alternate party representatives. That makes a total of 8,000. They also have the right to appoint a prosecutor and an alternate prosecutor to each voting table board, making a total of 8,000. This is a grand total of 16,000. I do not know where they are going to find so many people, because I have not seen a single demonstration that exceeds...[changes thought] I think their largest demonstration in months did not even reach 15,000 people.

They will be short by 1,000 persons. It is not a problem for us. We would only need to appoint the Sandinist youth and would have the 16,000 people we need. [applause]

We would still have 34,000 people left over only from the Sandinist youth to pick the candidates and the activists who would be participating in the campaign.

Ramirez Criticizes Opposition-Contra Agreement

PA1404145889 Managua Radio Sandino in Spanish 1930 GMT 13 Apr 89

[Text] A National Reconciliation Commission meeting, which had been scheduled for this morning at the archbishop's office, had to be canceled because of the absence of opposition political party representatives Erick Ramirez and Mauricio Diaz. Diaz apparently is currently visiting the United States while Ramirez is touring Europe. The other commission members, including Vice President Sergio Ramirez, Cardinal Miguel Obando y Bravo, and notables Gonzalo Ramirez and Gustavo Paragon, did show up to attend the meeting.

Vice President Ramirez, in statements to the media, criticized the Group of 14 for having signed an agreement with the contras in Guatemala. He described the contras as a dead and damaged force.

Referring to the much discussed embrace between [Communist Party Secretary General] Altamirano and [Nicaraguan Resistance leader] Bermudez, he said it would be funny were it not for the bloodshed behind it.

[Begin recording] [Ramirez] Actually, behind their usual bravado, there is nothing. The contras have been damaged by this war; they are no longer able to create major disturbances in Nicaragua, even though they still have terrorist groups in Nicaraguan territory.

Therefore, considering that this U.S. instrument is weaker now and has no military ability because it is composed of refugees and displaced people who are in Honduran camps, we do not see why... [changes thought] we find it illogical that some political parties in the country should go to Guatemala to sign pacts with a force that is losing strength. We feel this is a completely illogical attitude. We cannot conceive of this and do not see how anyone with average intelligence would do that.

[Reporter] Do you think the absence of political parties is related to the agreement signed with the contra leaders in Guatemala?

[Ramirez] I do not believe so. We have been told Diaz and Ramirez are currently out of the country. We understand Diaz is in the United States and Ramirez in Europe.

[Reporter] What kind of communism is that of the Communist Party leaders who embrace former National Guard members and state they will also support their terrorist positions?

[Ramirez] [laughing] It makes me feel sorry for them. It makes me laugh and feel sad at the same time. I cannot view this situation with any seriousness. I think it is a very sad pantomime that would be funnier were it not for the bloodshed caused by those criminal guards, who now embrace those who claim to defend the Nicaraguan people's democratic rights. However, that is the reality. A party that calls itself communist and terrorist mercenary forces that claim to be democratic have voluntarily found a common point that has brought them together. I do not see how any party can win any votes in the upcoming elections by embracing the murderers of the Nicaraguan people. [end recording]

Cerezo Desires Implementation of True Democracy

PA1404131489 Managua LA PRENSA in Spanish 12 Apr 89 pp 1, 12

[Unattributed report: "Cerezo: The Time for Deceit Is Past"]

[Text] During talks yesterday afternoon at the National Palace in Guatemala City with representatives from the Nicaraguan Opposition Unity, Workers Permanent Congress, and Nicaraguan Resistance, Guatemalan President Vinicio Cerezo said, "We will not allow them to slobber all over us or deceive us with apparent democratization."

The president made the statement after hearing detailed reports about the enormous deficiencies in the election reform bill proposed by President Daniel Ortega to achieve an authentic, just, free, and honest election process in Nicaragua and to achieve peace and reconciliation among all Nicaraguans.

Cerezo was impressed by the opposition's unity in the effort to achieve these goals. He commented, a bit ironically, that if that were to happen in Guatemala, if all the opposition united against him, "he would be very worried."

Cerezo acknowledged the Nicaraguan opposition's concern over the formation of the Supreme Electoral Tribunal, the Supreme Electoral Council, and the regional electoral councils in Nicaragua. He referred to the Supreme Electoral Tribunal organized in Guatemala, which has been the foundation of the country's democratization, because of the organization's total independence from the executive branch and the ruling party.

Cerezo explained that if Ortega plans to "export" and sell to other countries a democratization not based upon actions but that is just another source of propaganda, he will fail, because the Europeans, Americans, and Latin Americans are very sensitive to the issue of real democratization in Nicaragua and will not allow any pretense. Not even the European Social Democratic leaders are willing to swallow such jokes, Cerezo said.

"We are aware that our main goal is to achieve peace, but peace will not be achieved without authentic democratization," the Guatemalan president said.

Insisting on his earlier statements, Cerezo explained that two big mistakes are often made in politics: the belief that other people are naive and political naivete. Cerezo said the ball is now in the Nicaraguan Government's court. The government must demonstrate it truly wants democratization.

Meanwhile, Cerezo added, it will be easy for all of you to explain to others and convince them of your serious efforts to achieve Nicaragua's democratization. This effort must continue. It must be followed up. I will do all I can.

Regarding the resistance's disbanding and return to Nicaragua through civic and peaceful means, Cerezo said it will not be accomplished without democratization in Nicaragua.

He cited the case of the thousands of Guatemalans who are gradually returning to the country in a peaceful manner.

To conclude, Cerezo said that if an authentic democratization process were to take place in Nicaragua, worldwide aid would be enormous, and even Guatemala, which is not such a wealthy country, would support Nicaragua in its effort to rebuild its economy and develop.

Standing almost among the rows of seats at the palace, Cerezo made a final recommendation: Maintain your unity. If you maintain unity, it will be very difficult to defeat you.

Opposition Delegate on RN Talks in Guatemala

PA1304204089 Managua Radio Sandino in Spanish 1942 GMT 13 Apr 89

[Text] The group of 14 opposition party delegates have returned from Guatemala, where they signed an alliance agreement with the counterrevolutionaries and hosted a news conference at the International Press Club in Managua. Guillermo Potoy, delegate from the Social Democratic Party, said that the contras are willing to lay down their weapons if there is democratization in the country.

[Begin Potoy recording] I believe that the Nicaraguan Resistance would be willing to come to Nicaragua. Judging from what they said, I believe they would be willing to return once it appears that there is democratization. They trust the 14 or 15 opposition political parties and support the decisions made by these parties concerning the elections. In El Salvador, the war intensified during the elections, and those who financed the war continued to finance it in order to [words indistinct]. In Nicaragua, the humanitarian aid ensures that not a single shot will be fired. I believe this is a positive contribution. We must begin at the beginning, which is where we should have been, and not where we are now. [sentence as heard]

Just look at where we are now. What has happened in the last few years in Nicaragua? There has been plenty of war, many deaths. Now a peace process has begun in Nicaragua. This helps ensure that not a single shot will be fired and that the elections will be held in peace. Then we Nicaraguans will be able to comply. It is up to the Nicaraguan Government to institute democracy in Nicaragua, which will ensure an automatic end to the war. I believe there is no reason why we, the Nicaraguan civic opposition, would not be willing to join any effort once democracy has been achieved in Nicaragua. [end recording]

PSC President on Opposition Election Stance

PA1404142989 Managua Radio Catolica in Spanish 1130 GMT 13 Apr 89

[Interview with Adan Fletes Valle, President of the Social Christian Party, PSC, by unidentified reporter; date and place not given—recorded]

[Text] [Reporter] We would like to know your opinion on the true significance of the agreements signed in Guatemala, their repercussions for Nicaraguan politics, and whether the civic opposition has devised a belligerent strategy.

[Fletes] The truth is that the Nicaraguan opposition and the (?world) are traveling not by car but by train, carrying much [word indistinct] with a locomotive moving with tremendous force. The Sandinists know that they are facing the largest ever national and international coalition in an election struggle to convince the entire world; the world is prepared to support the coalition's stance. On this train that is the election struggle and as a result of which we will definitely defeat Sandinism, we will bring to the Nicaraguan people—as the Guatemala communique indicates—democracy, peace, reconciliation, and economic reconstruction.

No one can better solve Nicaraguan problems than an opposition government. Now, when the Sandinist leadership is meeting, it should realize that if it passes the Electoral Code reforms submitted to the Legislative Assembly, it will find that the Central American presidents, the Latin America presidents, the European people, the Soviet Union, and the United States are not going to accept reforms of that nature. These Sandinist measures would hurt the chances for economic recovery in Nicaragua, because if the Sandinists get their way, the world will then provide economic assistance to the rest of Central America, but not to our country because of a lack of democratic progress.

What is at stake is not something simple; what is at stake is Nicaragua's economic future and our country's ability to overcome its great economic and social backwardness. Therefore, we will be victorious in this election struggle, despite Sandinist resistance. The Sandinists, during their meeting today, must correct their mistakes and not implement the measures they advocate, which clearly violate the Central American presidents agreement, which states that the Supreme Electoral Council must have a balanced composition. This was reaffirmed by the Venezuelan Supreme Electoral Council's technical cooperation commission sent here by President Carlos Andres Perez.

[Reporter] What will the opposition do if the government insists on the election reforms as they stand now, that is, not allowing Nicaraguans living abroad to vote, allowing soldiers to vote, and other changes now under discussion?

[Fletes] We have decided to evaluate the situation the day after the Sandinists make their final decision at the Legislative Assembly, which will be on 26 April, or earlier if the Sandinists reach a decision earlier. The Sandinists must be convinced that just as the 1984 elections did not serve their purpose, fraudulent elections will also not serve their purpose. In Central America, there are two governments that are unlikely to hold democratic elections: Noriega's government and Daniel Ortega's government.

[Reporter] Do you consider abstaining from the elections a viable option at this time?

[Fletes] The civic opposition is in favor of participating in the elections. However, as everyone knows—including the signatories of the Central American agreement—this will not be just any election process; the purpose is not to behead the opposition. These elections must meet the conditions necessary for the election results to be accepted by the Nicaraguan people and the world.

[Reporter] Does that mean that you are not excluding the option of abstaining from the elections?

[Fletes] The Sandinists must realize that the opposition is keeping all options open.

Arce on Political Issues, Solidarity

PA1304130389 Managua BARRICADA in Spanish 9 Apr 89 p 3

[Interview with Commander of the Revolution Bayardo Arce, vice coordinator of the Sandinist National Liberation Front Executive Commission, by unidentified reporter; date and place not given]

[Text] [Reporter] What role does solidarity play in the 10th anniversary, and how does the FSLN [Sandinist National Liberation Front] evaluate its work over the past 10 years?

[Arce] Since the struggle against the dictatorship and even more so after the revolution's victory, the FSLN has insisted that victory and the revolution's defense were possible because two factors converged: first, our people's heroism, which made them deserving of solidarity; that solidarity, in turn, became the other force that has led to the revolution's success and continuance.

The solidarity movement allowed the aggression against Nicaragua to remain on the international political agenda. It has encouraged, sustained, and inspired the solidarity of governments and institutions that favor our country and our revolution.

I also believe that this convergence of factors has prevented the developed countries from losing sight of Third World problems. Instead of talking about solidarity, we should be talking about mutual interests, because to the extent that the developed countries act in Nicaragua's favor, the Nicaraguans' struggle and problems will have a moral effect on their people.

The FSLN believes that the 10th anniversary provides a very fitting opportunity to consolidate this convergence, and the National Directorate has agreed to recognize the organizations and personalities who have been most steadfast in their solidarity with the Nicaraguan revolution.

In July, we will organize the Third Worldwide Solidarity Meeting. With the economic problems the country is facing, this must be a joint effort, and its cost will primarily fall upon the solidarity organizations. The idea is to meet, talk, examine the solidarity we have received during the past 10 years, outline its future, and acknowledge those who have contributed the most to the revolution's triumph over the past 10 years.

[Reporter] Some committees say that it is necessary to redirect solidarity to other countries, arguing that Nicaragua no longer needs that support. How will the FSLN regard solidarity once peace is achieved?

[Arce] If any organization were to believe that Nicaragua no longer needs solidarity, it would be time for us to do some explaining. The aggression is still alive, although it is less intense, thanks to our diplomatic and political efforts and the very military defense we have maintained throughout these years.

Even though we have achieved peace, unfortunately, the effects of the war remain. International experts have assessed the U.S. aggression's damages at more than $12.5 billion, which is the sum we are demanding as compensation from the United States at the International Court of Justice. This figure surpasses Nicaragua's total exports since the revolution's victory.

If we were to achieve peace, it would not only be at the cost of 50,000 lives, but of the thousands of individuals maimed, people who have lost their legs, arms, and eyes in this struggle, the thousands of orphans for whom we must secure an education, health, and food, and the damages that render the effort to rebuild the country almost titanic.

Solidarity cannot be linked exclusively to the defensive effort of these past years, but it will be necessary to rebuild the country once we have achieved peace.

Meanwhile, The FSLN has never considered, much less encouraged, pitting solidarity with Nicaragua against solidarity with other struggling countries. The Nicaraguan people themselves, amid their great difficulties, have expressed solidarity toward other peoples; and I am not only referring to situations of conflict. It is well known that Nicaragua has politically and morally supported the struggles for liberation in El Salvador, Namibia, Palestine, Chile, and Paraguay.

Despite the difficulties, we have tried to prevent the Nicaraguan people from concentrating only on their own problems and to make them bear in mind that other people have perhaps even bigger problems.

We do not believe that solidarity must be viewed from a competitive standpoint. In any event, all peoples of the world should strive for great universal solidarity, according to which all of us would help each other solve problems.

[Reporter] Do February's economic measures represent a step backward insofar as the FSLN's historical project is concerned? In what way do they help consolidate the gains made over the last few years?

[Arce] I have tried to explain these measures by saying that they are two steps backward in our social gains to make sure that we can take one step forward. We must never stop making progress.

When we decided to leave our families, to study, to go to work, and to go to the mountains, we set out to end the illiteracy in our country, to give land to the peasants, to stop the commercialization of medicine, and to provide education, health care, housing, opportunities for advancement, and spiritual solace to all.

We have made progress along those lines all these years. These aims are still valid to us. However, because of the war, the time came when our physical and economic bases stopped providing us with enough to continue making progress.

We realized this more clearly in 1984, and agreed to draw up an economic adjustment plan for 1985. We began doing this very gradually in order to preserve social gains. This allowed us to sustain our gains, but the pressure on our physical resources increased to the point that it became impossible to continue.

We tried to safeguard social gains, because, in 1985, we were in the most difficult stage in the war of aggression, and we thought that our people could not confront the war and simultaneously make such a brutal economic sacrifice—that is, sacrifices in terms of social gains.

Now then, these measures contributed to our historical program, because they are aimed at putting the economy in order, realistically determining the amount of wealth we have to distribute, without the confusion created by the existence of a variety of prices, a black market, a parallel exchange rate, and subsidized products and services.

The measures are meant to place the economy on a realistic footing in order to increase production, which will allow us to redress social ills.

What guarantee do we have that this will not reverse our progress? A strategic solution for our country lies in agro-industrial development, and it is impossible to plan that without agrarian reform. Over 3 million manzanas (2 million hectares) have been handed over to the peasants either through cooperatives or directly to individuals. Over 100,000 families have benefited. Fences were moved; nobody can return these fences to where they once were

[Reporter] During the war, solidarity was expressed more as support for Nicaragua's right to sovereignty and independence than as support for the FSLN. Once peace is achieved, and once the elections take place, does the FSLN expect that solidarity to be clearly expressed?

[Arce] In the best of cases, our hope is that solidarity will be specifically directed toward the FSLN. Why? Because, in our case, solidarity was not expressed toward a country. If it had been, it would have existed long before; during Somoza's regime solidarity with Nicaragua did not exist. Solidarity was with the sovereign and revolutionary project.

The FSLN has been directing this project, and it is the only force capable of its defense. The other political forces are opposed to this project, and the ideal thing would be for solidarity to be directed toward the organization that guarantees national sovereignty.

Nevertheless, I would not view the lessening of solidarity as a form of rejection, because I realize that there are differences among the many solidarity organizations and forums. If, for one reason or another, some of them are unable or do not wish to give us their direct solidarity, which would be the fairest and most ideal situation, that should not prevent them from expressing solidarity toward the revolutionary project.

In other words, I would prefer that they give money and resources for the FSLN's election propaganda, but if some group says that it cannot do so but instead will help the Supreme Electoral Council organize the elections, that would be all right. I see no inconsistency there.

Other organizations will say that they do not care about the elections and that they prefer to continue building a school or a health center. Magnificent.

Our objective is not to go to the polls every 6 years, but to eliminate illiteracy, create more schools, improve health care, and help the landless peasants; everything that will contribute to these objectives is welcomed.

[Reporter] What are the FSLN's prospects for international relations at this new juncture?

[Arce] With regard to the United States, we would like Bush to honor his campaign slogan "from George to George," an allusion to George Washington. However, this would bind George Bush to a legitimate, historic goal and to Washington's ideals.

I hope that Bush will not implement a mistaken, anti-George Washington policy, as Reagan did. Washington was the father of independence, and Reagan waged war against us to prevent our independence.

Thus far, I see no reason to be very optimistic, because there are reports that Bush will request $50 million to maintain the contras for 12 months, while the Central American presidents have agreed to dismantle that Frankenstein monster [the contras] in 3 months.

Meanwhile, a careful analysis reveals that Bush cannot continue Reagan's blunder. The previous administration had to confront what it described as the erosion of U.S.

influence by promoting an industrial military complex. The United States thus managed to install bombs all over Europe, encourage regional wars, and slightly improve its economy.

When Reagan was about to leave, however, he began dismantling this entire complex, because he wanted his actions to be forgotten and because the Soviets were pressing for peace, making offers, and taking unilateral steps.

There was no longer any room for artificially created tensions, the bombs were withdrawn from Europe, regional conflicts waned, and the United States was obliged to confront its economic problems, not by strengthening the industrial military complex, but by attacking structural problems in its economy. This involved U.S. relations with Latin America, its closest neighbor, which has been burdened by the economic policy implemented to date.

If Bush is consistent with what he has described as his historic goal, I would expect not only the United States but the EEC, the USSR, socialist countries, and the entire world to help us develop a truly authentic revolutionary project, because, from its inception, our revolution has attempted to find its own ways of expressing itself, its own characteristics, without emulating other models.

The FSLN's goal is to achieve socialism, but the FSLN has never prescribed what socialism must be. The FSLN has never been a dogmatic party that had to take a manual in hand and say: This is how we want things done. Instead, we have gradually come to terms with Nicaraguan reality, we have cultivated good relations with socialist countries, we recognized differences between Soviet, Cuban, Chinese, Romanian, Hungarian, and Czechoslovak socialism, and we have learned to discriminate the "democratic socialism" practiced in Spain, France, Sweden, and Germany.

It is only logical that if an authentic project exists, if we are not dogmatic, and if our actions are not predetermined, we should expect help from everyone so that, in the long run, our revolution can be a model for other countries' political processes.

Nicaragua, however, does not want others to imitate what it does; it wants to set a new standard for what an underdeveloped society can accomplish when it achieves freedom and sets itself on the path toward development, which is necessary in a world burdened by debt, backwardness, and hunger. There must be a plan. Various means of overcoming underdevelopment should be tested. It would be a good idea to support Nicaragua, which has already gone part of the way.

Sandinist Directorate, Assembly Holding Meeting

PA1404044289 Managua BARRICADA in Spanish 13 Apr 89 p 1

[Communique issued by the Secretariat of the Sandinist National Liberation Front's National Directorate in Managua on 12 April]

[Text] Managua, 12 April 1989, "Year of the 10th Anniversary"

The Secretariat of the Sandinist National Liberation Front [FSLN] National Directorate reports to the Nicaraguan people that the FSLN National Directorate began a meeting today with the Sandinist Assembly and other FSLN cadres from the country's various regions.

In this meeting, the National Directorate and its main cadres are discussing topics dealing with the country's defense and security, national politics, the role of our mass organizations, and the political prospects in the current situation.

FSLN National Directorate Secretariat

Cooperative Farmers Oppose Reform Measure

PA1304233689 Managua Radio Sandino in Spanish 1200 GMT 13 Apr 89

[Text] The layoffs ordered by the agrarian reform office in Region Three for certain cooperatives, such the San Jose Urbina Cooperative in Tipitapa, have created anxieties regarding the guarantees granted by land title deeds.

MIDINRA [Ministry of Agricultural Development and Agrarian Reform] officials have explained the differences between agrarian reform land title deeds granted within the framework of the agrarian reform program: Some cooperatives have been assigned land. These beneficiaries use the land for a period of between 2 to 3 years under previously agreed upon terms regarding rights and duties; the other kind of agrarian land title deed grants the use of land on a permanent basis.

MIDINRA believes that this situation has destabilized the cooperative movement, and it has, therefore, proposed giving land title deeds to agrarian reform beneficiaries.

However, Gustavo Cortes, a member of the National Union of Farmers and Cattlemen, UNAG, has said that the UNAG is against the decision made by certain MIDINRA officials to take away land assigned to certain cooperatives.

Cortes said that producers from more than 3,000 cooperatives throughout the country have voiced their support for the cooperatives affected by this decision and urged the MIDINRA offices involved in this decision to reconsider:

[Begin Cortes recording] Land that was assigned to producers is now being taken away as the result of manipulation by MIDINRA. These comrades have no agrarian reform land title deeds and that is why MIDINRA is taking away their land and assigning it to others, even though the land involved is being efficiently worked by the producers.

Also, in (San Isidro Cruz Verde), Region Three, a comrade of the coffee company and a MIDINRA official convinced Comrade Lolo Lanza to return his land to the previous owner and promised to give him the same amount of land on other farms. These comrades took advantage of Comrade Lanza, who agreed in writing to give up the land, but now MIDINRA refuses live up to its side of the agreement and denies having made a commitment to Lanza. [end recording]

Mario Aviles of the Juan Ramon Luna Cooperative said that this problem will prevent his cooperative from getting the land in time to grow enough to eat:

[Begin Aviles recording] This new measure has several negative effects. The biggest one is that we are unable to even guarantee daily meals for the people. As basic grains producers, we have to do that. If we cannot get the land in time, we will obviously not be able to produce rice, beans, and corn. [end recording]

Meanwhile, MIDINRA will review cases involving cooperatives or individuals that have been helped by the agrarian reform program but that have failed to efficiently exploit their land. This review is part of an effort to reorganize assigned land, which will include adding partners to cooperatives needing more personnel.

Jorge Gutierrez, regional director of agrarian reform, said that cooperatives in the region are asking for at least 1,000 people for their work to be able to efficiently exploit their land. This reorganization will be complemented by an upgrading of technical and financial assistance and incentives in the area of product marketing, the MIDINRA official added.

Contras Release Prisoners to UN Representative

PA1404030089 Panama City ACAN in Spanish 0220 GMT 14 Apr 89

[Text] Managua, 13 Apr (ACAN-EFE)—The contras today released four Nicaraguans, including an officer of the Sandinist People's Army (EPS), who were kidnapped by the rebels more than 5 years ago. The release took place at the Las Manos border post on the Honduran-Nicaraguan border.

According to an official source, the three civilians and the military officer had been held at the Nicaraguan Resistance (RN) camp of Yamales, in Honduran territory.

Francisco Narbona, representative of the UN High Commission for Refugees (UNHCR), took custody of Rosalio Lopez, Jose Gilberto Lopez, Enma Velasquez, and EPS officer Diego Centeno at the Nicaraguan border.

A special mission of the Nicaraguan National Reconciliation Commission returned last week from Honduras without being able to visit contra camps or to free civilians who were kidnapped by the anti-Sandinists. The Nicaraguan Government asserts that more than 1,000 Nicaraguans are still being held by the contras, while the rebels deny this claim.

Aristides Sanchez, one of the seven members of the RN Directorate, said today, following the release of the four prisoners, that the contras hold neither civilians nor soldiers captured in combat.

Sanchez said: "All of the Sandinist soldiers captured in combat have been handed over to the Costa Rican and Honduran Governments through the International Red Cross."

According to the contra leader, Sandinist claims that the RN is holding thousands of civilians "are part of Managua's propaganda strategy." "It is not true that we are holding kidnap victims," he added.

Sanchez observed: "The Sandinists have often tried to infiltrate their agents among our troops. Still, when we discover them, we free them, and they go where they please."

Contras Murder Hunters, Kidnap Peasants

PA1404035589 Managua Radio Sandino in Spanish 1930 GMT 13 Apr 89

[Text] Three men who were hunting in (Las Pailas), 50 km northeast of Rio Blanco, Matagalpa Department, were murdered by the contras. A fourth hunter was seriously wounded. The hunters who were murdered are Jose Lino Jarquin, Julio Sanchez, and Antonio Henriquez. Meanwhile, Miguel Burgos, who was seriously wounded, was admitted to the Rio Blanco hospital.

Furthermore, mercenary groups kidnapped two peasants near La Libertad, Chontales Department. They also kidnapped another peasant in the 6th Region.

Emigration Figures for 1st Quarter Reported

PA1404001989 Managua Radio Catolica in Spanish 1800 GMT 11 Apr 89

[Text] According to Immigration and Alien Directorate statistics, during the first 3 months of the year, an average of 400 people left Nicaragua each day. This information reveals that more than 34,000 people obtained visas to leave the country between January and March. Most of the Nicaraguan citizens traveled to other

Central American countries, especially Guatemala, which—as everyone knows—is the bridge to enter Mexico and then the United States illegally.

The country's economic crisis has compelled thousands of Nicaraguans to travel abroad in search of jobs. Most of the time these people are forced to sell their homes, household appliances, vehicles, etcetera, at ridiculously low prices in order to cover their travel expenses.

According to statistics, approximately 24,000 persons entered the country during the 1st quarter of the year.

Panama

Solis on Bush Panama Policy, Visa Suspension

PA1304221389 Panama City ACAN in Spanish 2110 GMT 13 Apr 89

[Text] Panama City, 13 Apr (ACAN-EFE)—Panamanian President Manuel Solis Palma said his government's relations with the United States "have worsened somewhat," adding that this was something he had expected since George Bush, the new U.S President, is not at all different from his predecessor, Ronald Reagan.

Solis told ACAN-EFE: "I never thought—and I said so from the very beginning—that Bush would be any different, because the reasons for the conflict (between the two countries) are still the same."

He added: "Bush is not about to become Panama's friend now. In our discussions, he has to side with U.S. interests."

Last week President Bush extended the economic and trade sanctions against Panama, which were decreed 1 year ago by Reagan to pressure Panamanian strongman General Manuel Antonio Noriega, commander in chief of the Panama Defense Forces, into resigning.

Washington still does not recognize Solis Palma's government and considers Eric Arturo Delvalle Panama's legitimate president. Delvalle was deposed by the Legislative Assembly on 26 February 1988, hours after Delvalle failed in his attempt to dismiss Noriega from his position as military chief.

Solis also said the U.S. Embassy displayed an "abusive and arrogant" attitude yesterday when it demanded that its consular officials in Panama be allowed to meet with U.S. citizen [Kurt] Frederick Muse, who was arrested 1 week ago for operating a clandestine radio and television network.

The embassy announced it would stop granting Panamanians visas until its officials were allowed to meet with Muse. The meeting finally took place last night.

Following a meeting with government officials, Solis told ACAN-EFE: "We strongly protest the way the embassy acted. As usual, it was abusive and arrogant."

Solis added that Muse's case "is not exactly included among crimes handled by ordinary means, as it (the United States) claims." Muse is accused of conspiring against the nation's security.

Solis had announced on Tuesday that he intended to condemn the Muse case and his clandestine network before the international community. According to Panamanian authorities, the network was designed to interfere with the upcoming 7 May elections.

Solis said that "we will not lose any time" in protesting directly to the U.S. Government since it "is part of the conspiracy."

U.S. Ambassador 'Disagrees' With Eleta Arrest

PA1304232189 Panama City CRITICA in Spanish 13 Apr 89 pp 1, 10

[Text] [U.S. Ambassador] Arthur Davis and [Deputy Chief of Mission] John Maisto have criticized their government's policy. They disagree with the arrest of Carlos Eleta Almaran, because they feel he should have been arrested after the 7 May elections.

Among the arguments raised by Davis and Maisto are that the opposition has lost a good ally. They also believe Eleta's arrest is a serious setback to Civic Democratic Opposition Alliance [ADOC] candidate Guillermo Endara's hopes of winning the presidential elections.

The U.S. "diplomats" harshly criticized their government's drug policy. With their position, they are showing that they and U.S. officials knew beforehand of the Panamanian tycoon's activities.

Davis and his assistant are so angry over this that they have not been careful about hiding their opinions on an issue that once again uncovers their actions to help the opposition.

Both Davis and Maisto have not had any qualms about meddling, in an open and outrageous manner, in affairs that exclusively concern Panamanians. They do so to the point that they frequently meet with the opposition parties and participate in activities planned by ADOC candidate Guillermo Endara.

Carlos Eleta Almaran has been charged in the United States of possession of 600 kg of cocaine valued at approximately $300 million. He tried to smuggle the cocaine into the United States with the help of two accomplices. Eleta, a member of the Nationalist Republican Liberal Movement, could be sentenced from 10 years to life in prison.

Editorial Calls U.S. Consul 'Nonentity'

PA1304235489 Panama City CRITICA in Spanish 13 Apr 89 p 4

[Editorial: "Go Complain to Tuturo"]

[Text] The United States continues to carry out the most absurd actions, making itself look more ridiculous each day.

Only yesterday, television viewers watched an alleged U.S. "consul" in our country complaining to our authorities about the detention of a gringo who faces grave charges of conspiring against Panamanian state security.

This makes us wonder:

If the United States does not maintain diplomatic or any kind of relations with our country, how can a consul (for whom?) now come forward to complain to us about anything? In any event, the complaints should be made to the "president" whom the United States recognizes, who in Panama is simply and plainly known as "Tuturo" [deposed President Eric Arturo Delvalle's nickname].

Yes. Let them complain to "Tuturo." After all, the United States does maintain relations with "Tuturo" and his "ambassador" (for whom?), someone by the name of Juan B. Sosa who is known to our people simply and plainly as "Bemba."

How can this "little consul" (for whom?) make any complaints to us? Who is this Mr So-and-So whom we do not care to have here? He is no consul and cannot complain about anything because he represents no one.

Panama, our homeland, has dignity; it does not have to recognize individuals who do not exist in our diplomatic relations. Our nation, which does have morals, has no need to put up with temper tantrums or rudeness from a character who represents no one in our country.

Let us make this clear. It is because we are decent people that Lieutenant Colonel Nivaldo Madrinan, director of the National Department of Investigations, was courteous enough to meet in his office with those who represent nothing in our nation of dignity, freedom, and sovereignty. Our high morals do not prevent us from being courteous enough to welcome a Christian into our home.

The fact that we are courteous and civilized people should not lead anyone to believe that we are accepting a consul whose dignity is meaningless because he is a nonentity.

These temper tantrums are nothing but tragicomic acts in a circus the United States has created, complete with its own clowns and puppets, as part of a burlesque farce that is about to explode in its face.

Let the United States deal with the monster it created!

Boyd Accuses U.S. Senator Dodd of 'Meddling'

PA1404015789 Panama City MATUTINO in Spanish 13 Apr 89 pp 1, 10

[Report by Roberto Rodriguez]

[Text] Aquilino Boyd, National Liberation Coalition [COLINA] candidate for second vice president, has accused U.S. Senator Christopher Dodd of "meddling." This is how Boyd described Dodd's threats to destroy Panama's private sector unless it goes along with the U.S. plans to oust the Panamanian Government.

In his condemnation of Senator Dodd, the career diplomat added that Dodd's attempts to influence Panamanian businessmen to oppose the government mean he "is trying to meddle in our domestic affairs."

In a Senate meeting, the transcript of which appeared in the CONGRESSIONAL RECORD and which MATUTINO published 2 days ago, Dodd said U.S. sanctions against Panama "will go far beyond an end to U.S. Government aid." Dodd added that those businessmen who had remained silent will learn that the United States "is prepared to deal with issues that affect them directly" as private businesses in this country.

As result of this veiled threat, local businessmen, including members of the Chamber of Commerce and the Association of Panamanian Industrialists, have engaged in a series of antigovernment work stoppages and strikes, as well as in actions aimed at destabilizing or undermining trust in the commercial banks and the economy.

During the 1st half of 1987, Panama was experiencing a 6-percent economic growth, the highest in the past 10 years. This growth was seen in banking, agricultural, commercial, industrial, and construction activities, which, in turn, kept thousands of employees and skilled workers on their jobs.

Since June 1987, however, business activity has dropped. According to some political and economic analysts, there has been a 95-percent drop in the construction industry and a 33-percent drop in the banking sector. Moreover, the manufacturing industry is operating at 60 percent of capacity. Over 100,000 private sector employees were dismissed or are only earning half their wages. They are not paid their salaries in cash and have not received their 13th-month bonus.

Dodd's threats, which later turned into reality with the aid of the opposition political and business groups, have affected the public sector as well. Although revenues have dropped, the government has handled the economic crisis caused by U.S. aggression without mass dismissals of public employees, whom it pays on time every 15 days.

Boyd added that Dodd is a "participant" in the U.S. psychological war. He said the United States is continuing its aggression against Panama and COLINA, despite the condemnation of the free world and of Latin America in particular.

The COLINA candidate said "the United States should be getting ready to accept a fait accompli," referring to the decision of the majority of the Panamanian people to support COLINA on 7 May.

"In other words, Panama will solve its domestic problems through the elections, and the United States cannot interfere," Boyd added.

DENI Officer on U.S. 'Subversive Plans'

PA1204143489 Panama City Televisora Nacional in Spanish 2300 GMT 11 Apr 89

[Text] This morning, military attaches accredited to Panama received firsthand information about subversive plans sponsored by U.S. military forces stationed in Panama and about radio equipment confiscated during the past few days by the National Department of Investigations [DENI].

The briefing was held at DENI headquarters by executive officer Major Domitilo Cordoba, general secretary Captain Lucinio Miranda, and communications technician Sergeant Rodolfo Delgado. They explained that some of the confiscated equipment was discovered at high elevations within the Panama City metropolitan area and was to be used to subvert public order during the 7 May elections.

Attending the briefing were Colonel Sergio Pineiro Garcia, Chilean Armed Forces military attache in Panama and president of the Association of Military Attaches in Panama; military attaches from various sister countries; and Lieutenant Colonel Carlos Arosemena King, chief of protocol and ceremonies, and Panamanian liaison with military attaches.

Noriega Addresses Torrijos Foundation

PA1304132289 Panama City Domestic Service in Spanish 1237 GMT 12 Apr 89

[Report by Eduardo Martinez on speech by General Manuel Antonio Noriega, Panama Defense Forces commander in chief, at ceremony to introduce book "Like a Fish in Water" by Nils Castro, secretary of international relations of the Democratic Revolutionary Party, at the Omar Torrijos Foundation in Panama City on 11 April—passages within quotation marks recorded]

[Text] [Noriega] "Like never before, Nils Castro's book reflects the magic of a work inspired by outside aggression. He could have written about other things; he could have written for international literary contests; he could have won. However, he wrote for us about a reality that is the fundamental point they want to destroy. Just as yesterday they destroyed the people's power in the Assembly of Corregimiento Representatives, today they want to destroy the people's power in the developmentalist, liberationist, and nationalist garrisons of the Panama Defense Forces [FDP]. Now is the right time—because the presence of the president of the Republic and of men like you, who have to keep your guard up, make this a proud moment—to talk of things concerning the nation's future.

"Torrijists cannot be, are not, and will not be silent bystanders in Panama's drama, which is why the president speaks out and gives his political opinions. No one can prevent him; no one can file a suit against a man with a track record of patriotic struggles in this country."

[Martinez] Speaking to a large audience that came to the Omar Torrijos Foundation, in the Ancon reverted area, General Manuel Noriega also commented on the country's political situation. He said no Torrijist accepts or will accept rules of the game proposed by the adversaries.

[Noriega] "No Torrijist accepts or will accept limitations or rules of the game proposed by the enemy—rules that the enemy would never accept either. The enemy would stop at nothing to impos these limitations and rules on Torrijists if the Torrijists were defeated. We are like a fish in water. However, the fish is ours and the water is ours. A fish such as corvina or grouper in Panamanian waters knows where to go, where to eat, and where to win. Panama's and Latin America's sociopolitical reality is well-known. Panama has risen to a high status and position of dignity. Do you not feel proud when someone refers to you by your first name? Many of you are mentioned by your first names. What do you feel when foreigners—Venezuelans, southerners [surenos], Americans, Europeans, Spaniards, men, women, and children—write to you admiringly of Panama? The Japanese want to know what mettle are we made of. They want to know what food we eat that makes us different.

"The answer is: the same food, but [words indistinct] dignity. Like never before, a country has been raised to the nth power of dignity. Like never before, a country has been raised the nth power of admiration. That admiration is intermixed with the old habit of always trying to find an explanation for strange occurrences. I do not understand that."

[Martinez] Referring to the book "Like a Fish in Water," he said the minds of civic persons are stunned because they cannot understand how an intellectual of the masses can produce this sort of work.

[Noriega] "We must admit that by publishing this book, Nils Castro has undertaken intellectual and even personal risks with great courage and daring. This is the sort of book that deeply disturbs and greatly irks some civic intellectuals, formalist democrats [democratas formalistas], or Panama's stagnant oligarchy, who shout like well-trained parrots. Those intellectuals are stunned by

reading these commentaries or summaries of the works by Plato, Aristotle, Montesquieu, or John Locke, or even of the works by 19th-century Colombian liberal writers. Their fascist minds—whether or not they are aware of it—break out in hives after experiencing the top analytical, sociological, and modern quality that runs through Nil's work.

"Reading this book must be strongly recommended to foundation members, men and women who have learned to read, youths who do not read because of their teachers' influence [referring to antiregime teacher unions], and to that new homosapien species that appeared in our country 2 years ago and sprang from the economic and genetic mixture of politicians, businessmen, bankers, civic group members, and devout members of a misguided church that closed every nook of its brain to any national analysis, talk, or discussion on the true meaning, responsibility, and duties of the FDP in the development of the country."

"Does it bother them or not? They understand that it is important. It bothers them because the U.S. Embassy tells them this type of FDP bothers the embassy. This bothers the embassy because it means there will be an extension of the FDP's duties; there will be a Panamanian society of the people, a developmentalist society, without an army that needs to be given $2.5 million every month so it will continue killing its own fellow countrymen on a daily basis. [applause]

"In 1969, Torrijos designed, planned, and dreamed of something similar to the present FDP's civic action, of an army such as this one, where the men in uniform can ask a peasant for support, to carry his rifle—and he can keep his rifle in the peasant's hut, because he knows he can return to pick it up tomorrow. [applause]

"That is difficult to understand. They would rather listen to Maisto, Davis, and Susan—violence, violence, violence, violence, violence, violence. That is why it is within the framework and must be there. [as heard] That is why we are going to fight, because we do not want to be in the U.S. Embassy's plans. [applause]

"As Nils Castro has explained so well in his introduction, the present analysis proposes fundamental, doctrinal principles that provide the basis for the Panamanian Armed Forces' strategy of development as part of Panama's independent development and national defense.

"There are people who mistakenly argue that the modernization of the Armed Forces places a heavy burden on the nation's development. They also blame the military establishment for mistakes made by civic oligarchies, which have directly or indirectly used the military as an instrument of repression to impose or perpetuate unfair structures or privileges. However, this is merely a way of concealing the true identity of those responsible for such injustices.

"In his thesis, Nils Castro refers to a fundamental problem that affects not only the FDP but also all the armed forces of Latin America and the rest of the underdeveloped countries. Our FDP has been and continues to be exposed to the pretensions of the U.S. political-military apparatus and the Panamanian oligarchy, which in collusion with shady interests, may try to turn the FDP into the edible part of a sandwich.

"When the spokesmen of the U.S. empire and their lackeys in the Panamanian oligarchy cry out that it is necessary to—quote—democratize—unquote—Panama, to have a—quote—civilian government through fair and free elections—unquote—and that the FDP returns to its garrisons, we must try to understand what all this means in reality, by ridding these sweet-sounding words of their embellishments. The return of the FDP to its garrisons means being at the disposal of the ruling oligarchy and confronting the trade unions, union membership, and poor people. The holders of political, economic, and military power in the United States and their agents in Panama—who are not to be confused with the great American people—want the FDP to become an armed force subservient to the strategic dictates of continental domination. These dictates are prepared by the U.S. Southern Command—with whom we need not deal—and they encompass the protection of the economic interests of large U.S. international corporations.

"The holders of Panama's economic, financial, and legal powers—their civilianism covers them like a phony nun's habit—want defense forces that stay in their quarters yet are ready to massacre the masses who dare protest against the socioeconomic plans imposed upon them by the IMF.

"An example of this objective situation, which occurred in a South American country, remains fresh in our minds. However, the U.S. television, press, radio, and other mass media do not care one bit that a Latin American army kills 300 or 5,000 humble members of the lower classes, provided those murders have been carried out on the orders of what are pompously referred to as a civilian president, a constitutional president, a democratic president.

"Nils Castro analyzes this and other fundamental problems in depth, with intellectual thoroughness and shrewdness, throughout the seven chapters of his book, which is being published at the most timely, critical, and decisive moment of Panama's republican history."

Solicitor General on Attachment Proceedings

PA1304045289 Panama City Televisora Nacional in Spanish 2300 GMT 12 Apr 89

[Statement by Solicitor General Olmedo Sanjur in Panama City on 12 April—recorded]

[Text] The Panamanian Government has begun attachment proceedings against employees whose taxes—income taxes and educational taxes—have not been paid

to the National Treasury because the Panama Canal Commission [PCC] has withheld them.

The employees—some of them at least—argue that the Panamanian Government has acted arbitrarily, and that these measures are illegal. They claim that because the taxes were withheld by the PCC, they should be considered as paid, adding that this was agreed to in an exchange of notes that were later approved in accordance with the provisions of the Torrijos-Carter treaties. However, I believe the government action is legitimate, because under the Torrijos-Carter treaties, Panamanian laws are applicable in the Panama Canal area. That is the general principle applicable to Panamanian taxpayers, and even to third country nationals in that area, with the exception of U.S. citizens, as provided by the Torrijos-Carter treaties, subject to certain limitations.

Panama's tax code states that taxpayers are jointly responsible with the withholding agent—in this case, the U.S. Government. In other words, both are responsible. Of course, the principle responsibility lies with the taxpayer, which in this case is the Panamanian PCC employees.

Solis Palma Urges Opposition Defeat at Elections

PA1304155589 Panama City MATUTINO in Spanish 13 Apr 89 pp 2, 10

[Report by Alberto Henriquez Garay]

[Text] Panamanian President Manuel Solis Palma continued his round of direct and spontaneous meetings with the public by saying that we will never be defeated by the presidential candidates chosen as a result of the meeting held somewhere on 50th Street and whose leading participants were [U.S. Embassy Deputy Chief of Mission] Maisto and [U.S. Ambassador to Panama] Davis. "Those presidential candidates have the approval of their masters," Solis Palma said, referring to the persistent U.S. intervention in Panama's domestic affairs. Solis Palma made those statements yesterday at a meeting held at the Atlapa Convention Center attended by ministers, deputy ministers, department directors and chiefs, Housing and Labor Ministries officials, National Mortgage Bank officials, and SENAFORP [National Service for Professional Training] members.

Solis Palma said that at the upcoming elections, more than a change of power, a change of ruling parties, or a change of presidents is at stake—what is really at stake is the future of Panama.

Solis Palma encouraged those attending the meeting to defend the achievements made during 20 years of hard work, production, and love of homeland. Solis Palma said: "We have to win the elections; we are winning, but we must defeat the opposition by an ample margin in order to maintain a government that continues to consolidate Torrijism."

Panamanian Housing Minister Ricardo Bermudez, who opened the meeting, urged participants to stop fearing fear itself.

Bermudez said: "On 7 May, we will seek the fulfillment of the demands of the poor. On that day, when we will be overcome by votes for dignity, the country's peace, security, and stability will be at stake."

PPA Supporters Protest Use of Arias Pictures

PA1204173689 Panama City Circuito RPC Television in Spanish 2300 GMT 11 Apr 89

[Text] This afternoon, Authentic Panamenist Party [PPA] supporters picketed in front of the Electoral Tribunal to protest the the Authentic Liberal Party's decision to use Arnulfo Arias' picture in its political campaign.

[Begin recording] [PPA presidential candidate Hildebrando Nicosia] The Authentic Liberal Party is using a red flag with a cracked bell as its symbol; now they have added a picture of Arnulfo Arias in defamation of his memory. They fought against him for many years; during the 40 years I was the party's deputy secretary and secretary, I saw how the liberals trampled him and encouraged the National Guard to attack us and subject us to all types of suffering, exile, and imprisonment.

[Unidentified speaker] Under no circumstances can they say they represent Arnulfism. That would not be right. Dr Arias belongs to the tough snakes [symbol of the PPA]. [end recording]

Regarding the impartial role the Panama Defense Forces [FDP] should play in the 7 May elections, Hildebrando Nicosia said:

[Begin Nicosia recording] When union leader Efigenio Arauz was honored during a recent meeting in Puerto Armuelles—a meeting he was not allowed to attend, because he has been banned from that area for the past 20 years—we said General Manuel Antonio Noriega, FDP chief, and members of his general staff must cease their open campaigning for the National Liberation Coalition candidates. That kind of open campaigning proves he is not impartial. We also need to have the votes counted on 7 May; we not only need guarantees that the people will be allowed to cast their votes freely, but also that we will have a proper vote count. [end recording]

Carlos Duque Speech in Colon Province

PA1204191089 Panama City Domestic Service in Spanish 1230 GMT 11 Apr 89

[Speech by Carlos Duque Jaen, presidential candidate of the National Liberation Coalition, in Buena Vista Corregimiento, Colon Province; date not given—recorded]

[Excerpt] [Passage omitted] Thank you for your praise for the revolutionary process; thank you very much for supporting the revolutionary process. However, gentlemen, we must be watchful; we must protect this process;

we must be on the alert and keep our eyes open, because the enemy is treacherous, the enemy is lurking, the enemy has money to conspire.

We must be on the streets; we will not lose or leave the streets, because we will defend our victory. We will go wherever you want us to go, because we will go wherever the people want us to go. That is why you must guard the streets, vote early, protect our election centers, and protect our votes, because we have the right to protect our victory.

You have probably heard about or seen over radio or television the highly sophisticated equipment seized from a U.S. citizen who was paid with the money withheld from us in the United States. This money is used by bad Panamanians who definitely will not return, because you will not allow them back. That sophisticated equipment that was seized was to be used to create chaos, disorder, and disinformation in Panama—the disinformation is necessary because they already know and have realized the Panamanian people have chosen the Nationalist Liberation Coalition.

The most affected segments of the country are part of our government platform and work agenda; we will dedicate all our efforts to them with the support of the people. We will take no more blows from unemployment; we will fight unemployment. I now say to the future representatives, legislators, and officials of my government that I will not approve or sign any project, regardless of how good it is; that does not generate employment, because the country needs to create jobs.

This is why the Civic Democratic Opposition Alliance [ADOC] wants to eliminate peasant settlements; they want to privatize transportation; they want to privatize taxi service; they want to eliminate the production of rice, corn, sorghum, potatoes, and onions, because they need to import those basic staples to increase unemployment in rural areas, which would force its workers to migrate to urban production centers—assembly plant centers and production centers—where ADOC members will hire cheap labor and export their products to other countries. They have done this in nearly all Central American countries and some in South America.

In fact, ADOC is presenting the IMF formula as its political platform. This formula has brought nothing but mourning and grief to other countries. We offer peace, work, and unity. [passage omitted]

Arias Calderon Promises Workers Stability

PA1204191589 Panama City Circuito RPC Television in Spanish 2300 GMT 11 Apr 89

[Interview with Ricardo Arias Calderon, Civic Democratic Opposition Alliance first vice presidential candidate, by unidentified reporter; date and place not given—recorded]

[Text] [Arias] It is a fact that the government worker is one of the current regime's foremost victims. Now the regime has the nerve to pretend to offer the government worker security. They offer nothing except more insecurity, which is what the government worker has had throughout the past 20 years.

Contrary to this, the Civic Democratic Opposition Alliance [ADOC] is committed to approving a Civil Service law, which will respect the personal and professional dignity of government employees and give them guarantees. We have said that we will only fire sinecures, something that everyone is demanding. The honest, hard-working, and capable government worker has nothing to fear from ADOC.

Only an ADOC administration can reorganize public finances, promote the country's economic recovery, increase the state's revenue, and get effective international cooperation. Therefore, only an ADOC administration can guarantee the government employee payment of his wages on time.

[Reporter] Dr Arias, we continue to hear criticism of the election process. Regarding the issue of who can vote first, some people say that the Electoral Law is being misinterpreted. What do you have to say about this?

[Arias] These are intentional misinterpretations. Unfortunately, they are in preparation for a fraud. The Electoral Law clearly and specifically states that Panama Defense Forces [FDP] members will be the last to vote, after the rest of the people have voted. This is understandable since they have to protect the voters. This will be an all-day affair. However, the Electoral Tribunal, in the booklet it has released, has distorted this arrangement, suggesting—not only suggesting but ordering—that the FDP vote first and that it should not have to wait.

Spanish Newspaper on COLINA 'Victory'

PA1204225589 Panama City CRITICA in Spanish 12 Apr 89 pp 1, 10

[Report by Mario Martinez Puente]

[Text] The Madrid newspaper DIARIO 16, in an analysis by special correspondent Roman Orozco, has said that "surveys indicate a change" in Panama and that the National Liberation Coalition [COLINA] will win the 7 May elections by a wide margin.

The analysis, which dealt with the detention of Carlos Eleta Almaran, who has been charged with drug trafficking in the United States, and the confiscation of several clandestine radio transmitters in Panama City, says that polls favor COLINA candidate Carlos Duque Jaen after the Civic Opposition Democratic Alliance [ADOC] suffered these two blows.

The analysis, entitled "Noriega Scores Two Goals Against the United States One Month Prior to the Panamanian General Elections," asserts that "the U.S. Government taught Panamanian General Manuel Antonio Noriega to be intelligent. Now they complain that he learned too much."

Although the analysis only described the reactions after international agencies carried the news—regarded as a bombshell—of the detention of Eleta in the United States and that of Frederick Muse in Panama and the latter's confession that he works for the U.S. State Department [as published], it is clear that undecided sectors and groups closely linked to the ADOC parties have stampeded to join COLINA's victory bandwagon.

DIARIO 16, one of Spain's most widely circulated and prestigious newspapers, has reached this conclusion: "Duque has already won the elections." Because Panamanians choose winners, the favorite to win the 7 May elections is Duque, the COLINA presidential candidate.

Duque Appeals for Unity at Chitre Rally

PA1304001289 Panama City Domestic Service in Spanish 1736 GMT 12 Apr 89

[Speech by National Liberation Coalition presidential candidate, Carlos Duque, in Union Park, Chitre, Herrera Province—live]

[Excerpt] Thank you, residents of Herrera, thank you very much, parties that comprise the National Liberation Coalition, COLINA, for this demonstration of support. It obliges us to always respond to a people who have answered the call of the fatherland, a people who have always been present in difficult times, and a people to whom COLINA will respond, because you deserve all of our attention and efforts to improve your living conditions and to overcome the current crisis. That is why COLINA has a commitment only with the people. We do not have commitments with any foreign government or leader. We only answer to the Panamanian people, because we are committed to the people, to the people who are here today, who are telling the whole word that they are dignified, want to work, and want peace. [indistinct shouts and slogans] This country wants to pave the way to development, to the total development of democracy via the 7 May elections. That is why I reiterate what I have stated in the past few days.

People of Herrera: We must remain in a state of alert. We must remain vigilant. We must remain in the streets. We cannot leave the streets because the opposition is planning to disinform the world and they have started to call us liars. Why do they call us liars? For the simple reason that they want to deny your presence, they want to deny the will and determination of a people to choose the leader of their choice for the next 5 years on 7 May. That is why I tell you that I will be the next president of Panama. [applause, shouts, slogans] That is why they call us liars, that is why they celebrate the extension of U.S. sanctions against Panama. That is why they are against the bus drivers. That is why they are against public workers. That is why they cannot understand or appreciate peasant settlements. That is why they make use of all their influence, all their influence [repeats himself] in the U.S. State Department, in the halls of the U.S. Congress. That is why they use all their influence and all their resources. That is why they managed to keep us from being allowed to enter a military base in Panama. [shouts, slogans]

They celebrated that we were denied entry to Howard Air Force Base during a peaceful caravan. They like that, and that is what hurt them. They tried to prevent us from entering Howard Air Force Base. They tried, through the use of military force—a foreign army, the most powerful army in the world—to prevent a COLINA caravan from entering the town of Veracruz. We told them that we did not intend to leave the area, much less remove the Panamanian flag or the flag of the political parties, because that territory is Panamanian territory. [crowd shouts: "A single flag, a single land!"]

Perhaps they were afraid we might find Tuturo [nickname for Eric Arturo] Delvalle playing tennis or jogging. That is why they call us liars.

In the past few days, a U.S. agent who works with the opposition was discovered with a high-tech network that the opposition was getting ready to use to carry out their plans—the big fraud, the big disinformation—on 7 May. That is exactly what they planned. It as shown that they had more than 10 or 12 apartments in Panama City, had tapped telephones, had prepared an entire network to jam Panamanian radio and television stations to disinform and disrupt public order. That is why they call us liars.

That is what bothers them. I tell them that COLINA, the National Liberation Coalition, will continue to campaign throughout the length and breadth of the country, taking our message of peace, work, production, and our stimulus and understanding to cattlemen, peasants, and small and medium businessmen. We respect them, despite the fact that we may not think alike. We are respectful of them because we believe that, above all, there must be reconciliation among all Panamanians. In fact, our government platform, our political platform, calls for the reconciliation of all Panamanians, because that is what COLINA stands for. COLINA is the people, the people are Panamanian, we are Panamanian and we propose unity among Panamanians. [shouts and slogans] [passage omitted]

Ritter Discusses Elections, Foreign Observers

PA1304124789 Panama City Televisora Nacional in Spanish 2300 GMT 12 Apr 89

[Text] High-ranking officials of the Electoral Tribunal [TEP] led by TEP Vice President Luis Chen this afternoon briefed the diplomatic corps about the preparations for the 7 May elections.

Foreign Minister Jorge Ritter answered some questions during a brief meeting with the media.

[Begin recording] [Ritter] We are in the homestretch of the elections. Today we invited diplomats to hear the TEP officials' explanations on the mechanisms that will be used by the TEP. We are currently facing a campaign of announcements about the election results even though the elections have not taken place. The only thing we are doing right now is telling the diplomatic corps: This is the mechanism. This is how the election will take place. You be the judges of what will happen in Panama. You have been given the means to judge what happens in Panama on 7 May. That is all that has happened.

[Reporter] The OAS Commission on Human Rights has concluded that human rights are not respected in Panama and that the proper conditions for holding elections are lacking. What do you think about this?

[Ritter] I do not think that is the conclusion reached by the OAS Commission on Human Rights. The commission's representatives certainly stated their misgivings when they came to Panama. They had every chance to talk with anyone they wanted, and their conclusions are the commission's conclusions.

However, I do think all our problems must be solved abroad. If the proper conditions for the elections are not present, then why are all the political parties participating in the elections? The Panamanian people have decided to hold elections. All the legally registered parties in Panama are participating in the campaign, carrying out activities, and mobilizing their supporters, yet there are reports abroad that claim: No, the proper conditions for holding elections in Panama are lacking. Let me assure you, if the proper conditions for elections were lacking, the Panamanian opposition would not be participating in the elections.

[Reporter] How many observers will come and from which countries will they come?

[Ritter] The TEP has chosen the observers, and the government has reasserted this. The government will recognize as observers those who receive an invitation from the TEP. However, we will not accept those who decide to appoint or proclaim themselves observers. We cannot consider them as such, regardless of their qualifications, because the government must establish a norm or guideline. The Executive Branch has decreed that the TEP will establish the guidelines. If the TEP decides to invite 10, 15, or 30 persons, then they will be recognized by the TEP and the government as observers in our elections.

[Reporter] What, in the government's or the foreign ministry's opinion, is the prevailing feeling in democratic countries throughout the region about the elections?

[Ritter] I think there are great expectations about the elections. All the political parties—at least the most important ones—participating in the elections are members of the international affiliate of their parties; for example, the Socialist International, the Christian Democrat International, and the Liberal International. This means that members of other countries' political parties will come to witness the elections.

I want to reiterate something: No matter how interested Latin America may be, the Panamanians cannot accept parallel electoral tribunals or let other election officials make their own calculations, issue their own results, and tell us who will be our next president. [end recording]

Delvalle Said Using State Funds for Ad Campaign

PA1304193889 Panama City MEDIODIA in Spanish 12 Apr 89 p 2

[Unattributed article: "Delvalle Spends $674,000 in Publicity Against the Elections"]

[Text] Deposed Panamanian president Eric Arturo Delvalle has authorized the use of $674,000 from the funds frozen and withheld by the United States to cover expenses for a publicity campaign to be based in Washington and which will draw international attention to the 7 May elections.

According to information obtained by MEDIODIA correspondents in Washington, Delvalle and his collaborators have hired four [as published] U.S. ad agencies to do the job.

A 6-month, $60,000 publicity contract was signed with the Virginia-based Boyd and Bonatelli company.

Another contract was reportedly signed with John Zagert and Associates for $90,000.

Another contract, paid for with Panamanian funds frozen by the U.S. Government, was signed with the Armor and Foster ad agency, renewing a $237,000 contract signed in August 1988.

MEDIODIA was informed that the contract signed with the latter company was paid for with funds withheld from Panama. Armor and Foster was the same company hired by Delvalle to lobby the U.S. Congress when economic sanctions against Panama were implemented.

The United States is withholding $56 million that belongs to the National Bank of Panama and another $175 million in taxes withheld from the National Treasury concerning U.S. agencies and companies based in Panama.

TEP 'Sources' Give Political Parties' Strength

PA1304195689 Panama City MATUTINO in Spanish 13 Apr 89 pp 2, 10

[Summary] Sources from the Electoral Tribunal's Statistics Department report that as of 10 March 1989, Panamanian political parties have registered the following number of supporters:

Democratic Revolutionary Party	200,482
Labor Party	91,195
Liberal Party	49,628
Republican Party	30,648
People's Party	19,963
Revolutionary Panamenist Party	19,105
Democratic Party of the Workers	15,629
National Action Party	15,322
National Liberation Coalition [COLINA] Total	441,972
Nationalist Liberal Republican Movement	39,553
Christian Democratic Party	22,812
Authentic Liberal Party	20,676
Civic Democratic Opposition Alliance [ADOC] Total	83,041
Authentic Panamenist Party	32,293
Total Panamanians registered in parties	557,306

Restrictions on Foreign Reporters Lifted

PA1304224489 Panama City ACAN in Spanish 2203 GMT 13 Apr 89

[Text] Panama City, 13 Apr (ACAN-EFE)—Panamanian Government officials announced today that the paperwork foreign correspondents must fill out to enter Panama and to carry out their work has been reduced. Authorities also announced that foreign journalists will be given facilities for covering the 7 May elections.

Danilo Caballero, director of the government's National Information System and president of the Technical Board of Journalism, announced that the government will no longer hold the passports of foreign reporters when they enter Panama.

At a meeting with members of the Association of Foreign Press Correspondents in Panama, Caballero added that "all kinds of facilities will be given to correspondents covering the elections."

According to Caballero, other legal and immigration regulations are being reviewed "so that Panama will be completely open to the international press."

At the same meeting, Major Edgardo Lopez Grimaldo, Panama Defense Forces' director of public relations, explained that past restrictions on correspondents were necessary because of the U.S. aggression against Panama, which he said included a "disinformation campaign."

Luis Romero Villalobos, the Ministry of Government and Justice's media director, explained to reporters that correspondents sent to cover the Panamanian elections will only be asked to provide accreditation from their employer "to prevent other people, who are not reporters, from arriving for other purposes."

Manuel Santamaria, the Electoral Tribunal's public relations officer, also attended the meeting of foreign correspondents. Santamaria explained the measures taken by the tribunal to assist reporters, such as setting up a press office with communications equipment.

Solis Says Church 'Biased' in Political Crisis

PA1204173289 Panama City MEDIODIA in Spanish 11 Apr 89 p 4

[Text] Referring to the Panamanian clergy's actions during the country's political incidents during the past 2 years, Minister in Charge of the Presidency Manuel Solis Palma said the church's actions have been very biased.

He added that throughout the country's crisis, "the bishops have not taken into consideration the moral attitude of sectors now asking for votes for the Civic Democratic Opposition Alliance. That attitude has resulted in humble people being sent home to suffer misery and hunger because their salaries have been cut or because they were dismissed."

However, Solis Palma emphasized, the rich have not risked their wealth, and this is immoral. The church, preaching certain morals, should have condemned these actions, just as it should condemn, but more vigorously, the aggression victimizing Panamanians.

Argentina

Government Denies Supplying Falklands Trawlers

PY1304190989 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1800 GMT 13 Apr 89

[Quotation marks as received]

[Text] Buenos Aires, 13 Apr (NA)—It was officially reported today that the Argentine Embassy in Uruguay has denied press reports that fishing vessels operating in the British Government fishing exclusion zone around the Malvinas are receiving supplies, either directly or indirectly, from Argentine ports or ships.

The Foreign Ministry released the content of a paid advertisement published by the Argentine Embassy in morning newspapers of Montevideo in which "it categorically denies a report published by the Montevideo newspaper "EL DIA."

The Foreign Ministry states that "the report published on 8 April—citing unidentified British Naval and diplomatic sources—is totally false."

Economy Minister Speaks on New Measures

PY1404015689 Buenos Aires Argentina Televisora Color Network in Spanish 0001 GMT 14 Apr 89

[Speech by Economy Minster Juan Carlos Pugliese from the Economy Ministry in Buenos Aires—recorded]

[Text] Good evening. Nine days ago I assumed the post and the responsibility for our economy. We are living in an unusual period of democratic transition.

I knew then, and I know now, that it was a difficult challenge. I knew I was not appointed to head this ministry for prestige or to create an ambitious program in order to go down in history. I have been appointed to calm things down and to make our fellow countrymen ponder about our fatherland before making a decision at the elections.

I ordered the first measures within that framework as soon as I took over. I knew they were temporary measures that could not yield results in the short term, but they were urgently needed.

I am here today with a better understanding of the situation. The problems facing the nation are very serious and are affecting everyday life. Our people are increasingly concerned about our future and are beginning to doubt our institutions.

From the economic viewpoint, the first problem is the uncertainty over the rules of the game that will guide our economy in the future. It is good that we discuss programs, growths, and stability strategies, but politicians must also agree on some basic rules to prevent our transition period from becoming a tragic experience for our society. Nothing will calm the markets and stop the deterioration of our standard of living if the political sectors do not explicitly agree to abide by some basic rules.

The Economy Ministry will do a job that will be judged as good or bad, but we will not evade our responsibility. We need a minimum consensus among the different political parties to control our economic uncertainties.

The second problem is our fiscal deficit. When this deficit is not financed by genuine resources it fuels a spiraling inflation. We know that the state crisis is structural. We also know we have made great efforts to overcome this aspect of our crisis. However, the reform of the state takes time and it has just begun. Today we are facing an emergency situation. We have to forcefully face this emergency and use all the government's resources to solve it in a short period of time. Our mission is not to elaborate long-term programs. We have to correct our economy now, without delays, or electoral speculations. What we have to do, we will start doing today. We will not wait until 15 May [election day].

We have become aware of our third problem through the newspapers and the exchange houses: the speculation on the dollar and the inflationary consequences.

Sudden exchange rate fluctuations can profoundly affect an economy without enough currency and where everything is marked in dollars. Some people can protect their investments from these factors of instability. The majority of the population, however, is defenseless. This is deeply unjust.

The fourth problem is the most important: the inflationary process. The economic uncertainty, the fiscal deficit, and the foreign exchange instability have been fueling inflation and affecting the standard of living of our people, particularly of the poorest.

This situation is delicate because producers and consumers become disoriented about tomorrow's prices. Some sectors are even taking precautions against the scarcity of staples. We will not allow this process to advance any further.

Today I will announce the government measures to control the situation. The purpose of the measures is not to control inflation in one fell swoop. This is impossible given the present circumstances. Our goal is to combat the imbalances and forcefully protect our battered society. We intend to help calm things down and contribute to our democratic transition.

Some of the measures are hard, but is is my duty to do what is best for our country.

I am presently seeking the political consensus I talked about to face our present economic uncertainties. I have been talking with various political leaders, seeking an explicit agreement on some very important issues that disturb our electoral process.

We are not seeking an agreement on economic policy, because that is our responsibility, and the policy is open to anyone's criticism. The point is to seek an agreement on some necessary rules.

We are taking harsh measures to combat the fiscal deficit. These measures will not eliminate the deficit in a few days. They are the launching pad of a program that will guide the economy until 10 December [inauguration day].

We have ordered a 14-percent increase in all utility rates as of tomorrow. This increase was overdue. The deficit would have created an inorganic monetary expansion prejudicial to everyone.

The government has decided to implement foreign exchange withholdings on all exports, without exception. We are also planning to launch a campaign against tax evasion. We will begin to see the results of this campaign beginning next week.

Finally, I commit myself to sending to Congress a restructured budget, covering the second half of 1989. We will strictly comply with this budget once it is approved. The approval of the budget by Congress will mark the beginning of a fiscal pact to preserve stability by controlling our expenditures and revenues.

The government has decided to face the exchange rate instability by ordering a long-considered measure. A free and floating foreign exchange market will begin operating on 17 April. The Central Bank will no longer intervene.

The government has taken the necessary measures to prevent any eventual fluctuations of that market from being added to the prices of basic staples, because the ultimate goal of our actions is the welfare of the people. The introduction of withholdings on exports also serves this purpose.

I can say informally that the Argentine state will comply with the rules and regulations pertaining to dollar deposits, and the servicing and payment of the bonds that have been issued in foreign currencies.

Finally, I want to say that upon once again taking charge of the overall economic policy, I have ordered the commerce secretary to implement a price policy that is rational but inflexible.

Businessmen can add their legitimate costs to prices, but we will not allow excesses. And if excesses are proven, we will be inflexible with the violators, thus defending the consumer and the small tradesmen, the majority of whom act with loyalty.

For the time being I cannot promise that inflation will come to an end, because that would just set us up for another frustration; but, yes, I can promise that we will not tolerate speculations at the expense of the people's pocketbooks.

A correct income policy cannot overlook salaries. The joint wage bargaining commissions exist, and that is where the parties must act in a responsible manner and with social solidarity in trying to prevent salaries from deteriorating even more. We will proceed in the same way with the public administration.

I hope that all of us are aware of the seriousness of the economic emergency. The cooperation of all sectors is needed for serving the country and for strengthening democracy.

Markets React to Rumored Price Freeze
PY1304235589 Buenos Aires BUENOS AIRES HERALD in English 13 Apr 89 p 1

[Text] (DYN-NA)—Financial markets sped out of control yesterday with the black market dollar shooting up to the 59 austral level before settling at around 56 australs, while interest rates reached an average of 42 percent.

In turn, business leaders announced that prices of food and other household items have risen 60 to 140 percent since the beginning of the month and leaders from around the country are saying that the economic situation is unmanageable.

Economic authorities are planning to announce new economic policies in the next few days and a prices freeze will almost certainly be one of the measures adopted. According to analysts, a freeze is logical because leading businesses were asked to present price lists dating back to April 7.

Rumours have been circulating that dollar deposits would be frozen also, but this was quickly denied by Economy Minister Juan Carlos Pugliese. "There is no way that we would take measures against dollar deposits and have no plans to forcefully convert these into australs," he said.

Pugliese later huddled with President Raul Alfonsin and members of the economic team at the Olivos presidential mansion to come up with emergency plans.

Throughout the day, the economic team waited in vain for exporters to sell their foreign currency reserves on the market in the hope that this selling would stabilize the market. Exporters did not come to the rescue and the value of the black market dollar rose 9.77 percent to close at 56 australs (buy) and 56.20 australs (sell).

With this rise, the gap between the black market dollar and the official dollar widened to 178.9 percent as the official dollar was quoted at 20 australs (buy) and 20.15 australs (sell).

According to observers, importers and exporters are doing everything they can to hold onto their reserves and are overbilling exports and underbilling imports to achieve this result. At the same time, small investors continue to flow in and out to exchange houses, while steadily pulling their australs out of bank accounts to convert into harder currency.

Consquently, financial markets have been operating on red alert with lending institutions raising interest rates more than two points to the 42 percent level in effort to keep deposits from dwindling.

Army Chief Defends Antisubversive Struggle

PY1404003189 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2018 GMT 13 Apr 89

[Text] Buenos Aires, 13 Apr (NA)—The Army today defended the antisubversive struggle and assured that it is willing to "again meet the challenge of terrorism if necessary." The Army vowed "to defend the fundamental norms of our society and institutions."

In a message written by Army Chief of Staff General Francisco Gassino, the Army reported that "an insidious campaign is being carried out to stigmatize the forces that participated in the recovery of La Tablada regiment."

The message was read during a ceremony to commemorate the defense of the 121st Arsenal Battalion in San Lorenzo, Santa Fe, from a group of terrorists from the People's Revolutionary Army (ERP), who tried to takeover the battalion 14 years ago.

"We are not claiming the great pain we feel over irreversible facts that bereaved the nation; on the contrary, we place it as an offering to the whole nation so that no inhabitant will ever again suffer the misfortune of being a victim of this shameful terrorist that insists on being taught a lesson."

The message continues: "However, following our ideals of nationalism, united with our unbreakable vocation for service, and under the protection of the law, we are willing to again face, if necessary, the recent challenge of terrorism to the nation."

Gassino added, "every attack of this perverse scourge of humanity only strengthens our faith and pride as an Army serving the fair causes of the motherland, which is indebted to every man who died on duty."

The message concludes by stating: "We are a single unit of vocation and profession, we are the Argentine Army, the same Army that consolidated our national liberty and independence," and the Army will remain ready "to preserve national integrity and the sovereign rights of the citizenry, despite the selfish interest of some sectors that intentionally commit agressions."

Gen Gassino's message was read by his assistant, General Afredo Cardozo, chief of the 2d Department of the Army Staff, to a formation of military men on the parade ground of the Libertador Building.

A religious ceremony was first held by Army Chaplain Msgr Manuel Marti to honor the memory of the men who died defending the 121st Battalion in San Lorenzo.

Caputo Departs for EC, Group of Eight Meeting

PY1304221189 Buenos Aires TELAM in Spanish 2109 GMT 13 Apr 89

[Excerpt] Buenos Aires, 13 Apr (TELAM)—Just before departing for Spain today, Foreign Minister Dante Caputo stressed at Ezeiza International Airport that he will participate in the Group of Eight meeting that will be held in that country with the 12 EC foreign ministers.

The minister stated that "the main point on our agenda is that of financial evolution, the question of development, and the debt. The ministers from Latin American countries have asked me to draft the document and be the Group of Eight's spokesman at the meeting." [passage omitted]

New Economic Ministry Secretaries Sworn In

PY1304034589 Buenos Aires Domestic Service in Spanish 0200 GMT 14 Apr 89

[Excerpt] The new secretaries of the Economy Ministry were sworn in by President Alfonsin today. They will assist Economy Minister Juan Carlos Pugliese at the Economy Ministry.

Mario Vicens was sworn in as economic coordination secretary, Oscar Mervilhaa as finance secretary, and Jorge Todesca as interior trade secretary.

The ceremony took place at the White Hall of Government House. The ministers of the interior, defense, health and social action, economy, the secretary general of the Presidency, the secretary of industry and foreign trade, businessmen, and special guests attended the ceremony. [passage omitted]

Brazil

Finance Minister on New Measures, Indexation

PY1404015789 Brasilia Domestic Service in Portuguese 2200 GMT 13 Apr 89

[Report from Sao Paulo by Marli Moreira]

[Text] Finance Minister Mailson da Nobrega has confirmed in Sao Paulo that the government is preparing new economic measures to adjust the economy. The objective, he said, is to end the state of uncertainty observed in some sectors and stop the black market dollar speculation.

Minister da Nobrega added that the government will soon launch a new indexation instrument to meet the needs of the private sector. This measure, he added, does not mean indexing the economy, as has been stated by some newspapers.

[Begin Nobrega recording] The Brazilian economy is not indexed. The legislative measures that support the Summer Plan foresee new or improved mechanisms of indexation. What is currently being (?demanded) is an indexation unit established by the federal government, since certain private sectors have been harmed [passage indistinct] and indexation measures established by the government.

That is what we are studying, but it does not mean that we intend to index the economy, as has been stated by some newspapers. We do not intend to introduce indexation in the monetary [word indistinct]. That is not what harmed the Summer Plan. The Summer Plan was harmed by a government bond that served to index the whole economy. [end recording]

Finance Minister Mailson da Nobrega made these statements during a ceremony to install the new executive board of the Brazilian Association of Electric and Electronic Industry [Asociacao Brasileira da Industria Eletro-Eletronica].

* Sonda IV Missile To Be Test Fired on 15 Apr

36990007A Rio de Janeiro O GLOBO in Portuguese 2 Apr 89 p 36

Sao Jose dos Campos, Sao Paulo—On 15 April, the Aerospace Technology Center (CTA) will launch the fourth prototype of the Sonda IV missile from a base at Barreira do Inferno, near Natal, in Rio Grande do Norte. Preparations for the launch have been kept secret. The launch is meant to test the missile's guidance and control system, propellants, and ignition system.

This will be the fourth launching for this missile which is 11.5 meters long, has a launchpad weight of 7.3 tons, a top speed of 10,800 km per hour, and can reach an altitude of 600 km. The missile was last launched unsuccessfully on 8 October 1987 when the ignition system for its second stage failed. At that time the missile did not achieve its expected altitude, nor did it accomplish all the tests that had been programmed.

Also on 15 April, the Brazilian Commission for Space Activities (COBAE) will meet at Barreira do Inferno to decide on a new schedule for the Brazilian Complete Space Mission, which envisions the launching of four Brazilian satellites by Brazilian-made missiles. COBAE will base its schedule decision on a report to be issued by CTA and INPE [National Institute for Space Research] scientists.

Scientists held preliminary discussions yesterday at which time they were informed that it is unlikely that the full budget for the space program—cut by 55 percent by the "Plano Verao"—will be reinstituted. The budget cuts will delay for a few months the development of the first remote sensing satellite that INPE had expected to complete by December.

New AIDS Virus Existence in Country Confirmed

PY1304120589 Rio de Janeiro Rede Globo Television in Portuguese 2300 GMT 12 Apr 89

[Text] A new AIDS virus has just been confirmed in Brazil. Until now the HIV2 virus has only been found in Africa but a group of researchers from a laboratory of California have isolated the virus after testing 704 samples of blood from Brazilians affected with AIDS. Two articles have been released reporting the new virus. They are signed by 18 physicians, among them 6 Brazilians.

This recent research has confirmed that there are three types of AIDS virus in Brazil, while there is only one AIDS virus prevelant in other western countries.

Brazil continues to rank third in the world with the largest number of confirmed AIDS cases. Physicians have warned about a possible epidemic in the next decade.

Bisexuals are the main AIDS carriers and more than 8 percent of Brazilian prostitutes have AIDS, a rate that is much higher than that of American and European prostitutes. This 8-percent rate is similar to that found in Africa during the early 1980's.

The articles state that if the Brazilian Government does not take urgent measures, AIDS will kill as many people in Brazil as it did in Africa.

The new AIDS virus in Brazil make blood transfusion control even more difficult. Several researchers are trying to isolate the HIV2 virus and establish its incidence in Brazil.

Colombia

Barco To Attend U.S. Publishers Meeting

PA1304202489 Madrid EFE in Spanish 1920 GMT 13 Apr 89

[Text] Bogota, 13 Apr (EFE)—Colombian President Virgilio Barco today rejected a U.S. State Department report on Colombia and noted that his country is "the Latin American democracy," which is just what he is expected to say in his speech tomorrow in Washington on "democracy and drug trafficking."

Barco, who will speak before the American Newspaper Publishers Association, left for Washington today and talked with reporters prior to boarding the plane.

The Colombian president was asked about the U.S. State Department report, released yesterday, which states that "terrorism in Latin America has increased, mostly attributable to an increase in violence in Colombia."

Barco rejected the report, telling a reporter: "You have only read the newspaper headlines; the actual texts of those articles say nothing."

Asked what he will tell the U.S. newspaper publishers about the Colombian political situation, Barco said that he will explain "that the country's situation is all right, that Colombia enjoys a situation that it deserves, that this situation reflects the country's worth, and that Colombians represent Latin American democracy."

Barco will speak before approximately 1,500 commentators and publishers of U.S. and Canadian newspapers.

According to what was reported in Bogota, 1,020 of the total 1,501 U.S. newspapers are represented in the American Newspaper Publishers Association.

According to presidential sources, President Barco's participation in that forum was planned at the last minute by the U.S. organization, and Barco agreed to travel to the United States because he is interested in projecting a good image of Colombia.

This is an unofficial visit, although he will use this trip to meet with high-ranking DEA officials before returning to Bogota tomorrow.

Barco is accompanied by General Miguel Alfredo Maza Marquez, director of the Administrative Department of Security (DAS, the Colombian secret police), "who will at President Barco's side in case he needs more detailed information on the struggle against drug trafficking," Maza told reporters.

Colombian Justice Minister Guillermo Plazas Alcid and National Police Director General Miguel Antonio Gomez Padilla, who are already in the United States, will also attend the meeting with President Barco.

This is the second time Barco will visit Washington since his August 1986 presidential inauguration. He paid a 4-day visit to Washington in March 1987, to attend a World Bank assembly. At that time he also visited OAS headquarters.

* Fenalco Scores Influx of Contraband

33480153a Medellin EL COLOMBIANO in Spanish 16 Mar 89 p 9A

[Article by Gustavo Leon Ramirez O.: "High-Level Political Interests Hamper Battle Against Contraband"]

[Text] Yesterday the National Federation of Businessmen (Fenalco) reiterated its proposal that the government reduce tariffs in order to combat contraband, and charged that there are high-level political interests preventing the implementation of effective action to combat it.

The association claimed that, last year, $1.1 billion (about 388.3 billion pesos) worth of goods was brought into the country. This attests to the fact that this is becoming more of a national problem with each passing day.

This disclosure was made by Fenalco's president, Sabas Pretelt de la Vega, in Medellin upon announcing the results of the poll on contraband undertaken together with Fedesarrollo [Federation for Development] in 1988.

Present for this announcement were Rodrigo Mejia Mora, chairman of the board of directors of Fenalco-Antioquia; Eduardo Visbal, the organization's vice president for foreign trade; its executive director, Diego Uribe Uribe; the vice minister and the secretary general of finance from Ecuador, Juan Bernardo Acosta and Javier Florez, respectively; and the general director of customs, Jose Joaquin Palacio.

Fenalco noted that Medellin was selected for the presentation of the research because this city has been seriously concerned about the problem, attributing to the latter its true dimension as a factor detrimental to the national economy.

Fenalco commented: "In Medellin we reiterate once again that the government should adopt the necessary measures to make formality, legality, and effort become good business in our country again."

Pretelt de la Vega remarked that Fenalco had polled more than 3,500 businessmen in the country, in order to quantify the extent of smuggling, to find out which sectors of the economy are most affected, and to learn the causes, so as to "report them openly to the national director of customs."

He maintained that, if smuggling did not exist, the commercial sector could increase employment by 14.6 percent, creating 300,000 new jobs, and that sales would increase 30 percent.

He noted that those polled had attributed smuggling to the high tariff rates, the VAT, the special allocation tax collected on imports, the excessive administrative red tape in government organizations which manage foreign trade, and the quantitative restrictions or import quotas established by virtue of the Exchange Statute, which do not recognize the presence of factors influencing market operationes, and the tastes and preferences of consumers.

Those Affected

Fenalco explained that the sectors most affected by the scourge have been liquor, electric household appliances, textiles, and spare parts for automobiles.

The sites through which most of the contraband entered during 1988 were the border with Venezuela, the airports of the country's leading cities, the Atlantic Coast, Panama, suppliers located in Miami, the Pacific Coast, and Ecuador, and via clandestine runways.

The national director of customs disclosed that, in 1988, the authorities seized 20 billion pesos worth of goods that had been smuggled into the country.

In an extensive analysis of the benefits of the entity's restructuring, he claimed that the volume confiscated showed an increase of 150 percent over that from operations conducted in 1987.

He explained that smuggling can be combated only with economic solutions, but warned that, so long as there is no in-depth change in the conditions which make it a profitable business, the government will continue to implement repressive measures.

Commenting on the poll, Fenalco revealed that 81 percent of the businessmen queried had expressed the view that between 10 and 60 percent of the national demand is being met by products brought into the country illegally, considering the Atlantic Coast and the Santander region as the areas most severly stricken.

A total of 80 percent claimed that the difference in prices between legally-imported or nationally-produced products and their contraband counterparts fluctuates between 10 and 50 percent; this is most apparent in Valle del Cauca, the Atlantic Coast, Santander, Viejo Caldas, Bogota, and Alto Magdalena. The sectors in which these differences are acute pertain to food, beverages, electric household appliances, textiles, and spare parts.

Pretelt de la Vega remarked that 60 percent of businessmen thought that the country's economic growth would be greater if foreign trade were opened up more, while 33 percent said that the controls in effect should be improved. Only 6 percent responded that the management of foreign trade should retain its current type of operation.

A total of 66 percent of organized business considered the national production equal to or better than that procured through smuggling or import. Nevertheless, the spare parts dealers claimed that domestic parts are of a quality inferior to those of those produced abroad.

Black Market

Moreover, 80.3 percent charged that the large-scale contraband wholesalers are financed with foreign currency that is overtly exchanged outside the Bank of the Republic.

A total of 76.8 percent claimed that the government's efforts to combat the scourge have proved futile, owing to the existence of political interests that prevent taking any effective action, and the insufficient technical, human, and financial resources of the customs office for carrying out an effective policy.

Those polled said that the government should reduce tariffs, exercise greater control at the borders and customs posts, and eliminate the licensing system, as the most appropriate action for counteracting the phenomenon.

Pretelt de la Vega maintained: "The existence of contraband should be cause for great national concern, and shock on the part of legislators. Nevertheless, despite the constant charges from the various producers' and businessmen's associations, the governments, with more of a critical than a nationalist spirit, have proven unwilling to undertake the necessary economic solutions, and persist with policing solutions that operate on certain levels, but are inoperative, and themselves foster corruption."

He claimed that the association views with great concern the government's intention to change the functions of the Superintendency of Exchange Control, because of the view that, recently, there has been insistence upon reinforcing coercive measures rather than economic ones that would call for recognition of the importance of supply and demand in markets.

On the other hand, he criticized the Exchange Statute, declaring that it subordinates the appropriate supply of imported goods on the national market to the maintenance of equilibrium in the balance of payments, "a very important feature, but not the only one in managing an economy."

"What the law did not foresee was that, with the state not allowing the legally established businessman (through the imposition of quantitative restrictions on imports) to offer goods that are in demand on the national market and for which there are consumers, markets supplied by contraband could be fostered." Pretelt de la Vega added: "There is anxiety among Colombians about this situation."

* Nontraditional Exports Seen Increasing

33480153b Cali EL PAIS in Spanish 13 Mar 89 p A-6

[Text] Santa Marta, 12 Mar (Colprensa)—According to estimates made by the National Export Promotion Fund [Proexpo], nontraditional exports, which reached a total of $1.78 billion in 1988, perhaps the largest figure in the history of Colombia, will increase 15 percent, reaching $2.047 billion.

That agency's director, Federico Clarkson, said that exports of nontraditional products totaling $1.780 billion accounted for 44 percent of the foreign currency entering the country based on exported goods.

Clarkson stressed: "Coffee accounts for 35 percent, and the rest comes from oil, ferronickel, and coal."

This year, of a Proexpo budget of 300 billion pesos, 275 billion will be allocated for credit.

This credit will be divided among pre and postharvest funds, fixed investments and capitalization funds, and a new credit line.

The official added: "I believe that the credit volume is large; last year no credit was refused for lack of funds, and we don't think that such a problem will crop up this year either."

New Incentives

The chief of Proexpo's Agricultural-Livestock Development Department, Carlos Jose Rincon, claimed that there are other incentives for production, such as the tax refund certificates, and, in the case of fruit growers, the figure is at its maximum level: 12 percent of the FOB [not further identified] export level.

Rincon noted that the fruit sector has a promising future, as in the case of bananas, which exceeded $200 million, and flowers, which also approached that figure.

In this connection Clarkson reiterated the fact that Proexpo must become linked with the country's development process, and share in the risks of research and marketing.

The Proexpo director commented: "I have maintained that exports must be selective; there must be diversification in areas in which we have comparative advantages over other countries."

He claimed that the agency will continue to place emphasis on products proven on other markets, such as bananas, in which an investment of 2.2 billion pesos was made last year, most of its concentrated in Santa Marta.

In addition to the experiment being conducted in Caribia-Sevilla on mangos, papayas, citrus fruits, and melons, similar projects are being carried out in other sections of the country on animal breeding with waterhogs and babillas for export.

The Proexpo director remarked: "With such projects, we are proving that Colombian technology is good, that we are improving it, and that we are producing fruit of export quality, in the varieties demanded and required by the international market."

* Army Commander Warns of Drug Corruption

53002071z Bogota EL ESPECTADOR in Spanish 2 Mar 89 p 14-A

[Text] Bogota—Army Commander General Nelson Mejia Henao made some explosive remarks yesterday in which he acknowledged that "the drug trafficking people are seeking to sully our people in far-off places, and this is a danger that I ask my men to be careful about." He also contended that the war is being won with guns and shovels and that the army is prepared to win the war and will.

He also admitted that there have been some irregularities in the Armed Forces, "because there is always someone who makes a mistake, but this is not the norm in the institution, and therefore we condemn it. When an individual commits a crime, we punish him. This is why the army is the nation's strength. This is why I can tell you in all honesty that we are sound. This is why the finest among us were chosen to bear arms. I say to you again that we are sound. You must believe it. We want to be sound, and this is why I give advice to my men."

Just minutes before he had said forcefully during the graduation ceremony for 35 noncommissioned officers that "remember that only what is honorably achieved is enjoyed and produces great satisfaction. I want you all to be clean of thought, word and deed."

In listing the five special missions of Colombian soldiers, Mejia Henao made an enthusiastic appeal to the recent graduates, telling them to multiply whatever they have received from the military, "inasmuch as you will always be worthy. Do not allow yourselves to be contaminated by the enemies of law and order, who will only doom you to failure, until they cause you to lose man's most precious treasure: his freedom."

The War Is Being Won With Guns

He also said that the war is being won with guns and shovels. "As long as the army is alive, it will prepare itself for war. We do not concern ourselves with matters other than waging war. The war is won with guns; it is won with shovels. It is won by working. In offices. By developing the nation. If each Colombian does things well, we will win the war, the war against underdevelopment. My mission right now is to insure the tranquillity of this country's citizens," Mejia Henao told LA PRENSA.

Referring to the cease-fire order that the staff of the Revolutionary Armed Forces of Colombia has given its various fronts, the general said "let's hope there's peace."

Paraguay

Interior Ministry Responds to Charges

PY1304180689 Asuncion PATRIA in Spanish 13 Apr 89 p 6

[Statement by Interior Ministry's Press and Public Relations Department Issued in Asuncion on 12 April]

[Text] Lawyer Francisco Jose de Vargas has used the media repeatedly to criticize the Interior Ministry. In the 11 April issue of ULTIMA HORA, he irresponsibly charged the Interior Ministry with failing to offer the

necessary guarantees to the people who reveal crimes. He also charged the Interior Ministry with negligence for failing to dismiss and punish the officials charged with crimes revealed by the media. In response to these charges, the Interior Ministry makes clear the following:

1. The specific functions of the Interior Ministry include the preservation of public order, peace, and security. They do not include repression. The Interior Ministry will, therefore, continue to encourage all citizens to use their right to report crimes and attacks against them. The Interior Ministry will grant them the appropriate protection and conduct the necessary investigation to place the criminals at the disposal of the courts.

2. The judicial functions are performed by the Judicial Branch, which, through its appropriate channels, should order pretrial inquests to gather evidence and investigate and, ultimately, to issue arrest warrants against the alleged criminals.

3. Without hindering the investigation conducted by the Interior Ministry and the Asuncion Police to gather evidence on alleged crimes revealed by the media, the State Attorney General—the real representative of the Judicial Branch—takes the necessary legal action.

The State Attorney General takes legal action only when it receives concrete evidence that a crime has been committed. It is up to the courts, however, to determine if there has been a crime and, in such a case, who were the criminals and the victims.

4. Aware of its great responsibility, the Interior Ministry confirms its firm decision to comply with its specific function of preserving public order, peace, and security. The Interior Ministry reiterates that it will fulfill these duties within the framework of the laws and the Constitution.

Signed: Interior Ministry Press and Public Relations Department. Asuncion, 12 April 1989.

Correction to Policemen Charged With Torture
PY1304152589

The following correction pertains to the item headlined "Two Policemen Arrested, Charged With Torture," published in the 13 April Latin America DAILY REPORT, page 42, column two:

page 42, column two, paragraph two, second sentence make read: ...also established that they are being held under arrest at the police headquarters in compliance with the laws that apply to policemen awaiting trial. (rewording, supplying dropped words).

Peru

Vice President Pledges Loyalty to Garcia
PY1304221789 Lima Television Peruana in Spanish 1800 GMT 13 Apr 89

[Excerpt] First Vice President Luis Alberto Sanchez has firmly and categorically refused to replace President Alan Garcia. He said that he is linked to the president not only because they share an ideology, but also a long-time friendship.

[Begin Sanchez recording, from Congress] Due to my old age I have seen many maneuvers of this kind. I particularly remember one that took place 40 years ago that was very similar to this one. That maneuver led to a dictatorship that lasted 8 years. The present case has been further complicated by a press report which suggested that I replace Alan Garcia, to whom I am vice president. I think it was a selfish proposal. The selfish see selfishness in the others.

I am the vice president and I replace the president when he is absent. I am totally loyal to him. I am not only his friend, but I have been a party militant for 60 years, and contrary to others, I have never waived from the straight path of the party I joined a long time ago. [applause]

Therefore, to think that now that I am almost 88 I would commit the treason I did not commit when I was 48, is not only despicable, it is a stupidity. [applause] [passage omitted] [end recording]

Foreign Minister Departs for Group of 8 Meeting
PY1304141589 Lima Domestic Service in Spanish 1040 GMT 13 Apr 89

[Text] Foreign Minister Guillermo Larco Cox has departed for Granada, Spain, where he will attend a meeting of the foreign ministers of the Group of Eight.

During the meeting, the foreign ministers will discuss the economic and financial situation of Latin American countries, and the consultation mechanisms between Latin America and the EEC.

Labor Minister Terms Strike Political Maneuver
PY1404012989 Lima Television Peruana in Spanish 1800 GMT 13 Apr 89

[Excerpts] The strike called by the Sole Trade Union of Education Workers [SUTEP] is being partially observed. Activities in some schools, like Nuestra Senora de Guadalupe, Rosa de Santa Maria, among others, are normal. Our correspondent filed the following report:

In view of the 24-hour strike, called by SUTEP just 10 days after the school year began, this morning we visited several state-owned schools in Lima to confirm whether school activities are being carried out.

This morning at 0800 [1300 GMT], we visited the famous Nuestra Senora de Guadalupe state-owned school, where we saw that most students and teachers attended classes normally. Only 10 percent of the students and 20 percent of the teachers were absent. [passage omitted]

Labor Minister Orestes Rodriguez Campos stated that there is no reason for workers in the labor sector to strike. He said the opposition is spreading rumors that seek to destabilize the government.

[Begin recording] [Rodriguez] As for the strikes by sectors outside the jurisdiction of the Labor Ministry [changes thought]...the medical sector and SUTEP belong to the public sector.

It is regrettable that these political forces have undertaken this concerted action. I say that because I do not see why those who are being paid by the people should strike just when the state has met their demands of a 27-percent salary increase and the enforcement of a single professional career system. The other demands are unjustified. Each labor leader wants a seat in Congress. It is important that workers not be deceived at this time.

[Reporter] Then the strike is not work related; on the contrary, it is a political maneuver. Is that what you mean, minister?

[Rodriguez] Obviously, taking into account the economic situation of the country and its budgetary conditions, it is unreasonable to pose demands that the state is gradually meeting or that it cannot meet. This demand reflects a political connotation that we should reject because strikes are not good for the country. The country wants to work. The country wants to work as hard as possible in a moment that democracy and our political life should be strengthened regardless of the government. Teaching should not only be done in the institutions, it should be reflected in the effort of each Peruvian to save the country from the crisis we are currently living. [end recording]

Shining Path Group Kills 10 in Huancayo

PY1304184189 Madrid EFE in Spanish 0409 GMT 12 Apr 89

[Text] Huancayo, Peru, 12 Apr (EFE)—It was reported here today that before dawn yesterday at least 10 people were killed by a Shining Path terrorist group. The incident occurred in the Chongos Altos district, 50 kms south of Huancayo, in the Peruvian central mountain region.

Those killed were taken from their houses and publicly shot. Among them were the local governor, local town authorities, municipal officials, and members of the anti-guerrilla civil defense "Peasant Defense Group."

The "Shining Path" incursion in Chongos Altos, a town in the Huancayo Province, about 315 kms east of Lima, was reported today by travellers who arrived from the area. They did not identify those killed.

In Huancayo today a self-styled Shining Path "Annihilation Command" shot and killed Juan Alfredo Palomino, an American Popular Alliance (APRA) youth leader.

Attacks Ayacucho Town

PY1304201189 Lima Television Peruana in Spanish 1800 GMT 13 Apr 89

[Text] Last night [12 April] about 200 Shining Path members raided the town of Coracora, Parinacochas Province, Ayacucho Department. Shining Path members attacked the local civilian police and Republican Guard posts with dynamite, revolvers, and guns. The attack, which started at approximately 2230 and ended at 0250 today, caused considerable damage. In the attack, the Coracora Civic Center, which houses the local civilian police post, was burned. The Shining Path column also attacked the regional government office and the Agrarian Bank building.

It was reported that civilian police and republican guard personnel repelled the attack. The number of casualties is still unknown, but it is believed that the subversives did suffer casualties.

Today Lieutenant General Ruben Romero Sanchez, the national police chief, confirmed that the attack had taken place and said that two terrorists were killed. The police did not suffer any casualties.

Uruguay

FRG Deputy Foreign Minister Pays Visit

PY1204184489 Montevideo Radio Libertad Sport Network in Spanish 1600 GMT 12 Apr 89

[Text] FRG Deputy Foreign Minister Helmut Schafer will visit our country for a little more than 3 hours.

This morning Schafer met with Uruguayan Foreign Minister Luis Barrios Tassano and at noon with President Julio Maria Sanguinetti. At 1400 he will meet with Vice President Enrique Tarigo.

Inflation Rate Surpasses Government Predictions

PY1204171889 Buenos Aires TELAM in Spanish 0406 GMT 12 Apr 89

[Text] Montevideo, 11 Apr (TELAM-ANSA)—Economy and Finance Minister Ricardo Zerbino admitted today that the inflation rate for the first quarter of 1989 surpassed by almost 3 percent the official predictions. According to official figures the cost of living during that period increased by 18.44 percent, including almost 7 percent in March.

Zerbino attributed this increase to the continuous drought that is affecting the country, the consequent difficulties in generating electricity, and other foreign factors among which is the increase in the international petroleum price. He went on to say that "measures will be adopted to reverse this accelerated inflationary process." He added that "figures for 1 month or 1 quarter do not reflect the overall annual behavior."

The economic team initially predicted an inflation rate of approximately 60 percent for 1989. The inflation rate for 1988 was 69.01 percent, and 57.29 percent in 1987.

This unexpected increase during the 1st quarter will demand "greater efforts during the rest of the year to prevent inconvenient inflation rates that will discourage investment and will create problems for the lower income sectors," Zerbino concluded.

Guyana

Business Slowed by Protests Against 1989 Budget

FL1204024889 Bridgetown CANA in English
2236 GMT 11 Apr 89

[Text] Georgetown, Guyana, April 11, CANA—Protests against Guyana's 1989 national budget and a 70 per cent devaluation of the dollar that triggered sharp price increases spread on Tuesday to the commercial sector with a reported 2,500 workers staging a one-day strike.

The protest was called by the Clerical and Commercial Workers Union (CCWU). Several big businesses were closed by the CCWU action and there were official reports of disruption of classes in at least two areas outside Georgetown, as parents and teachers encouraged pupils to shun school. And in demonstrations outside the parliament buildings where the budget was being scrutinised, police arrested four people including a University of Guyana lecturer, Freddy Kissoon, for disorderly conduct. Unofficial figures say about 80 people have been arrested in the protests since April 3, and most have been released on bail. However, government spokesmen say the figure is much lower.

Soon after presentation of the national budget, trade unionists called strikes in the sugar and bauxite sectors - the main earners of foreign exchange here. The CCWU said Tuesday's action was the first in its "multiple strategy" of strikes, go-slows and sick-outs to protest against the "draconian measures" in the budget. CCWU President Gordon Todd said the union was heartened by the response of the members and claimed that an estimated 2,500 of the 4,000 members were off the job Tuesday.

Some big businesses which were closed were the department store chain William Fogarthys Ltd, T. Geddes Grant, and, Supermarkets, and Sterling Products Limited, manufacturers of detergents and edible oil products. Sections of the state-owned Guyana National Trading Corporation were also closed. However, small stores and markets remained open.

In a letter to the management of companies in which CCWU has bargaining rights, the union explained that while the budget measures were not of the employers making, the union "has to address the wider question of how best we can protest these draconian measures with the least possible disruption. The general situation compells us to take this form of protest and should not affect the otherwise harmonious industrial relations which exist between your company and our own."

The budget initiated a round of price increases which were compounded by a 70 per cent devaluation of the Guyana dollar from 10 to one against the U.S. dollar to 33 to one as the government prepares to sign a balance of payments agreement with the International Monetary Fund.

Outside parlaiment pro- and anti-government demonstrators on Tuesday continued protests which began Friday, inspired by the Federation of Independent Trade Unions of Guyana (FITUG). Opposition leader Dr Cheddi Jagan of the People's Progressive Party joined the demonstrators outside parliament and, to loud cheers from supporters, was carried on the shoulders of three men.

Meanwhile, bauxite and sugar workers, as well as some workers from the University of Guyana, have remained off the job, continuing a strike called late last week by FITUG affiliates.

Reports reaching Georgetown indicated that a few schools in Linden and on the west bank Demerara were poorly attended as teachers and parents were encouraging students to stay away from school.

President of FITUG, George Daniels and seven other demonstrators who were arrested Monday, appeared before a magistrate's court Tuesday and were granted bail of Guy200 dollar each. Their cases will be heard April 21.

Meanwhile, the Guyana Government has denied reports by the co-leader of the opposition Working People's Alliance (WPA), EUSI Kwayana, that three bus-loads of striking bauxite workers from Linden, 65 miles south of here, who were on their way to the city were turned back by the police. Kwayana had made the report in the National Assembly. However, in a statement to the assembly by Home Affairs Minister Stella Odie Ali, the allegation was denied.

"I have a statement from the commissioner of police which confirms that the incident described by Mr Kwayana never took place, is totally false, and that his statement is without foundation. This makes his statement nor merely regrettable, not even unacceptable, but completely unforgivable," Odie Ali told the National Assembly.

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